



MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Board of Trustees

Public Meeting Packet

March 14, 2024

MainePERS Board of Trustees
March 14, 2024
139 Capitol Street, Augusta

AGENDA

9:00 a.m. ¹		CALL TO ORDER		Brian Noyes
9:00 – 9:05 a.m.	1.	<u>CONSIDERATION OF CONSENT CALENDAR</u> <ul style="list-style-type: none">• Minutes of February 8, 2024• Consideration of Items Removed	ACTION	Brian Noyes
9:05 – 9:10 a.m.	2.	<u>CONTINUATION VEHICLES</u>	ACTION	James Bennett
9:10 – 9:15 a.m.	3.	<u>PRIVATE MARKETS REVIEW</u> <ul style="list-style-type: none">• Private Markets Activity		James Bennett
9:15 – 9:25 a.m.	4.	<u>INVESTMENT REVIEW</u> <ul style="list-style-type: none">• Investment Monthly Review		James Bennett
9:25 – 9:30 a.m.	5.	<u>CUSTODIAN REVIEW</u>		James Bennett Seth Keller
9:30 – 10:30 a.m.	6.	<u>INVESTMENT EDUCATION</u> <ul style="list-style-type: none">• Goals and Objectives		James Bennett; Stuart Cameron, Cambridge Associates
10:30 – 10:45 a.m.		<u>BREAK</u>		
10:45 – 11:00 a.m.	7.	<u>RISK DIVERSIFIERS REVIEW</u>		James Bennett Seth Keller Stuart Cameron, Cambridge Associates
11:00 – 11:10 a.m.	8.	<u>RISK DIVERSIFIERS REBALANCING</u> <ul style="list-style-type: none">• Executive Session pursuant to 1 M.R.S. §402(3)(B); §405(6)(F) <p style="text-align: center;"><i>Board moves out of executive session.</i></p>		James Bennett Seth Keller Stuart Cameron, Cambridge Associates
11:10 – 11:20 a.m.	9.	<u>MAINESTART QUARTERLY REVIEW</u>		Michael Colleran James Bennett Chip Gavin

¹ All times are estimated based upon the anticipated length of each presentation, hearing, discussion, and action. The presiding officer may take agenda items out of order for more efficient or effective conduct of the meeting.

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|-------------------------|-----|---|--------|---|
| 11:20 – 11:40 a.m. | 10. | <u>CEO REPORT</u> <ul style="list-style-type: none">• Employee Satisfaction Survey• State-Sponsored Plans | | Dr. Rebecca M. Wyke
Kathy Morin |
| 11:40 – 11:50 a.m. | 11. | <u>FINANCE AND AUDIT COMMITTEE</u> <ul style="list-style-type: none">• FY24 Administrative Operations Budget Adjustment | ACTION | Shirrin Blaisdell
Dr. Rebecca M. Wyke
Sherry Vandrell |
| 11:50 a.m. – 12:00 p.m. | 12. | <u>LEGISLATIVE UPDATE</u> | | Kathy Morin |
| 12:00 – 12:10 p.m. | 13. | <u>MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT</u> | | Chip Gavin
Sherry Vandrell
Michael Colleran |
| 12:10 – 12:15 p.m. | 14. | <u>LITIGATION UPDATE</u> | | Betsy Stivers |
| 12:15 p.m. | | <u>ADJOURNMENT</u> | | Brian Noyes |
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MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

Board of Trustees
Board Meeting
February 8, 2024

MainePERS
Augusta
9:00 a.m.

The Board of Trustees met at MainePERS, 139 Capitol Street, Augusta, ME 04330 at 9:00 a.m. on February 8, 2024. Brian Noyes, Chair, presided. Other Trustees participating were: Dick Metivier, Vice Chair, Henry Beck, State Treasurer; John Beliveau; Shirrin Blaisdell; Nate Burnett; Kirk Duplessis; and John Kimball. Joining the Trustees were Dr. Rebecca Wyke, Chief Executive Officer; James Bennett, Chief Investment Officer; Sherry Vandrell, Chief Financial Officer; Chip Gavin, Chief Services Officer; Monica Gorman, Secretary to the Board of Trustees; Betsy Stivers, Assistant Attorney General and Board Counsel; and former Trustee Ken Williams. The Board also was joined for select portions of the meeting by former Trustee Mark Brunton; James Ackor, Managing Director, Investments; Stuart Cameron, Cambridge Associates; Tom Lynch and George Bumeder, Cliffwater; and William Greenwood and Jennifer Yeung, Albourne.

Brian Noyes called the meeting to order at 9:00 a.m. Dick Metivier and Henry Beck participated through video remote access pursuant to 1 M.R.S. § 403-B, having been excused from in-person attendance. All other Trustees were physically present.

Brian Noyes introduced and welcomed Nathan “Nate” Burnett and Kirk Duplessis as new Trustees to the Board. Brian Noyes read sentiments recognizing and thanking Mark Brunton for his service on the Board and wished him well.

- Action. Shirrin Blaisdell made a motion, seconded by John Kimball, to approve the Board of Trustees sentiments for Mark A. Brunton. Unanimously voted by eight Trustees (Beck, Blaisdell, Beliveau, Burnett, Duplessis, Kimball, Metivier, and Noyes).

CONSIDERATION OF THE CONSENT CALENDAR

The presiding officer called for consideration of the Consent Calendar. The action items on the Consent Calendar were:

- Minutes of January 11, 2024
- Action. John Kimball made the motion, seconded by Dick Metivier, to approve the Consent Calendar. Unanimously voted by eight Trustees (Beck, Blaisdell, Beliveau, Burnett, Duplessis, Kimball, Metivier, and Noyes).

PRIVATE MARKETS ACTION

Blue Owl III (Owl Rock III)

- Action: Shirrin Blaisdell made the motion, seconded by John Beliveau, that MainePERS reduce or eliminate its investment in Blue Owl Capital Corporation III, and authorize the Chief Executive Officer, Chief Investment Officer, and General Counsel as signatories to execute documents in connection with this action. Unanimously voted by eight Trustees (Beck, Blaisdell, Beliveau, Burnett, Duplessis, Kimball, Metivier, and Noyes).

CONTINUATION VEHICLES

Jim Bennett updated the Trustees on investment of continuation vehicles. Jim shared that a recommendation to authorize the Investment Team to invest in continuation vehicles will be brought before the Board at the March meeting. Jim, Tom Lynch, and Stuart Cameron answered questions from the Trustees.

CUSTODIAN REVIEW

Jim Bennett reported that in accordance with Board Policy 2.1 the Investment Team began evaluation of the performance and contract terms of the System's custodian. The Team will complete the evaluation process in order to make a recommendation to the Trustees at the March meeting.

Mark Brunton thanked Dr. Wyke, members of the staff of MainePERS and the Board for their support and great work on behalf of the members. Mark left the meeting at 9:30 a.m.

PROXY VOTING

Jim Bennett provided a brief review on the System's approach to proxy voting. He shared that Glass Lewis has updated its policy guidelines and that the Investment Team believes their approach is consistent with our proxy voting principles.

INVESTMENT REVIEW

Investment Monthly Review

Jim Bennett reported that as of January 31, 2024 the MainePERS fund had a preliminary market value of \$19.1 billion, the preliminary return for the month was 0.0%, and the preliminary calendar year-to-date return was 0.0%.

Quarterly Rebalancing Report

Jim Bennett summarized the rebalancing activity for the fourth quarter of calendar year 2023.

RHIT/GLI/OPEB QUARTERLY REVIEW

Jim Bennett presented the RHIT/GLI/OPEB Quarterly Review as of December 31, 2023.

Investment Quarterly Review

Stuart Cameron presented the fourth quarter performance review and answered questions from the Trustees.

PRIVATE MARKETS REVIEW

Private Markets Activity

Jim Ackor reviewed the table of private market funds and co-investments that had closed during the past 12 months. Jim Bennett stated there are no manager meetings for February.

Albourne Quarterly Review

Jennifer Yeung and William Greenwood presented a review of the Infrastructure, Natural Resources, and Real Estate portfolios as of September 30, 2023. Jennifer and Will answered questions from the Trustees.

Cliffwater Quarterly Review

Tom Lynch and George Bumeder provided an overview of the Private Equity and Alternative Credit Portfolios as of September 30, 2023. Tom and George answered questions from the Trustees.

RISK DIVERSIFIERS QUARTERLY REVIEW

Stuart Cameron reviewed the Risk Diversifiers quarterly report as of December 31, 2023 with the Trustees. Trustees discussed and asked questions about the report.

FINANCE AND AUDIT COMMITTEE UPDATE

Shirrin Blaisdell shared the Committee had met prior to the Board meeting with CLA who provided a presentation on the recently-completed internal audit on cash receipts and disbursement controls. She also state they reviewed the financial operations reports for the three months ending December 31, 2023. Shirrin answered questions from the Trustees.

LEGISLATIVE UPDATE

Kathy Morin shared no new pension-related bills have been submitted this session and provided an update on the status of legislative bills.

MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT

Chip Gavin shared the Member Portal has more than 11,000 portal accounts registered and has been published to the MainePERS website. Chip stated great progress continues with the Pension Administration System Project.

Sherry Vandrell reported that 97% of employers submitted payrolls on time. She stated work continues to assist those employers that have fallen behind.

Lynn Clark briefed the Trustees on a newly-created data cleansing project team; shared a new 10-year lease amendment for the Portland Office is now in effect; reported that development of an RFP for a generator is continuing; and noted the Doc Center has updated contact information on more than 17,000 members as part of the member portal mailing campaign.

LITIGATION UPDATE

Betsy Stivers stated she has filed a lawsuit in Superior Court for recovery of overpayments of benefits to an individual who had passed away. She also shared she contacted the Probate Court and has asked to stay in the action.

Henry Beck left the meeting at 11:30 a.m.

CEO REPORT

Dr. Rebecca Wyke reported a new education session for PLD special plan members is scheduled to be launched in March. She also welcomed Nate Burnett and Kirk Duplessis as new Trustees and thanked Ken Williams and Mark Brunton for their service to the Board.

Brian read sentiments recognizing and thanking Ken Williams for his many years of service on the Board and wishing him well.

- Motion by John Kimball, second by Dick Metivier to approve the Board of Trustees sentiments for Kenneth Williams. Unanimously voted by seven Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, and Noyes).

Ken thanked the Board and the CEO for their support and guidance during his tenure as a Trustee.

ADJOURNMENT

- Action. Brian Noyes made the motion, seconded by Nate Burnett to adjourn the February meeting of the Board of Trustees. Unanimously voted by seven Trustees (Beliveau, Blaisdell, Burnett, Duplessis, Kimball, Metivier, and Noyes).

The meeting adjourned at approximately 11:50 a.m.

3/14/24
Date Approved by the Board

Dr. Rebecca M. Wyke, Chief Executive Officer

Date Signed

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS
FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER
SUBJECT: CONTINUATION VEHICLES
DATE: MARCH 6, 2024

Trustees received presentations on continuation vehicles, also known as continuation funds, at the January and February meetings. The use of these specialized vehicles has become more common over the past several years, and this use is expected to continue. While MainePERS has not invested in any of these vehicles to date, the Investment Team and the System's investment consultants believe that attractive opportunities to do so may arise in the future. This memo presents a recommendation to modify Board Policy 2.1 in order to facilitate investments in continuation vehicles.

POLICY REFERENCE

[Board Policy 2.1 – Investment Policy Statement](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communication and Support to the Board](#)

RECOMMENDATION

That MainePERS update Policy 2.1 – Investment Policy Statement as shown in the marked-up document following this memo.

CONTINUATION VEHICLES REVIEW AND RATIONALE

As discussed at prior meetings, a continuation vehicle is a fund raised by a General Partner (GP) and involves the transfer of one or more portfolio companies from an existing fund into the new continuation vehicle. These typically involve a portfolio company with meaningful growth potential and need for additional ongoing capital, held in a fund that is in the later stages of its life and lacking capacity to deploy additional capital into the investment. Existing investors typically have the option to either take liquidity or to roll part or all of their investment into the continuation vehicle. Participating in the continuation vehicle commonly requires an additional capital commitment over and above the rollover amount, to fund expected growth.

Continuation vehicles feature both risks and potential benefits. Risks include the potential for incorrect pricing as well as adverse selection regarding the assets involved in the vehicle. Potential benefits include the opportunity to remain invested in an attractive asset with a known GP, potentially attractive fees, and the opportunity for immediate investment of capital.

MainePERS has been presented with a number of opportunities to invest in continuation vehicles associated with our Private Equity and Infrastructure fund holdings over the past several years. There are two main reasons these opportunities have not been pursued to date. First, the System is at or above its target allocation for these asset classes. Second, as is the case with co-investment, the abbreviated fundraising periods associated with continuation vehicles require a streamlined decision-making process.

This recommendation addresses the latter issue, and will allow MainePERS to invest in continuation vehicles in those situations where the Investment Team and consultants believe that the CV represents an attractive investment opportunity.

INVESTMENT POLICY STATEMENT CHANGES

The proposed changes expand the existing Co-Investment authorization to include investments in continuation vehicles. Key features of the proposed Investment Policy Statement changes are:

- Language describing co-investment and continuation vehicles added to the body of the Policy, specifying that these investments are permitted, subject to the contained guidelines.
- Investments in continuation vehicles will count toward the existing 7.5% limit for co-investment, and are subject to the same size limitations (\$25m per investment / \$200m per GP).
- Investments in continuation vehicles are allowed in cases where the vehicle's purpose is to continue ownership of assets held by a fund in which the System is a current investor.
- As with co-investments, investments in continuation vehicles will be made in consultation with the asset class consultant.

Board Responsibilities – Investment Policy for Defined Benefit Plans

2.1 – Investment Policy Statement

Date Adopted: June 9, 2016

Date Amended: November 10, 2016; May 11, 2017; June 8, 2017; September 14, 2017; December 14, 2017; November 12, 2020; January 14, 2021; May 12, 2022; February 9, 2023; March 14, 2024

Policy

The Board of Trustees of the Maine Public Employees Retirement System is authorized and responsible for administering defined benefit retirement programs at the State and local levels. The Board carries out this responsibility by adopting investment objectives and establishing an investment program through which the policy is implemented. In the case of conflicts, this policy statement supersedes previous policies and actions by the Board.

This policy covers the investment management of the assets of the following defined benefit programs administered by the Board:

- Legislative Retirement Program;
- Judicial Retirement Program;
- State Employee and Teacher Retirement Program, which includes State employees and public school members; and
- Participating Local District Retirement Program, which includes retirement plans of withdrawn participating local districts and the Consolidated Plan for Participating Local Districts.

Collectively, the assets of these programs are referred to as the DB Plan Assets. Statutes allow for the pooling of the DB Plan Assets for the purpose of investment. Pooling provides significant efficiencies. Because the relevant characteristics of the DB plans are sufficiently similar, all the DB Plan Assets are pooled for investment.

Statutory/Legal Provisions

- Me. Const. art. IX, § 18.
- 5 M.R.S. §§ 1957-1958 (divestment statutes)
- 5 M.R.S. §§ 17102, 17103, 17435; 18-B M.R.S. § 801, et seq. (Maine Uniform Trust Code); 18-B M.R.S. § 901, et seq. (Maine Uniform Prudent Investor Act).
- 5 M.R.S. §§ 17153(4).
- Restatement (Third) of Trusts § 78(1) (2007) (the “sole interest rule”).
- Restatement (Third) of Trusts formally permits, and in some cases requires, the delegation of investment decisions from trustees to internal staff or external agents with the necessary skills and knowledge.

Governance Manual

MainePERS Board of Trustees

- The Employee Retirement Income Security Act (“ERISA”), codified at 29 U.S.C. § 1002, *et seq.*, provides a description of the standard of care that applies to trustees of private sector retirement plans. Although the System as a public retirement plan is not specifically governed by the fiduciary duty standard set forth in ERISA, courts will often consider the standard set forth in ERISA when addressing public pension plan issues. Under ERISA, a fiduciary must act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person (expert) acting in a like capacity would act. This statutory standard is derived from the common law of trusts, which is applicable in the State of Maine.

Resources

The Board of Trustees implements this investment policy in coordination with:

- in-house investment professionals (the “Investment Team”), with experience, authority and responsibility to implement the investment policy and administer investment operations;
- consultants, with appropriate expertise, to assist the Board and the Investment Team;
- investment managers, selected individually and collectively to reflect and implement the investment policy, having full discretion within policy and contractual limits to manage assets allocated to them;
- custodians qualified to carry out recordkeeping, reporting, measurement and custodial functions; and
- other advisors that the Board deems appropriate and necessary

The Investment Team shall oversee the processes by which Custodians, Consultants, and other Advisors are hired, evaluated, and terminated, and shall work with the General Counsel on the terms of contracts of engagement.

At least every five years, the Investment Team will evaluate the performance and contract terms of all such service providers and make a recommendation to the Board as to whether or not a search process for new providers and/or renegotiation of terms be initiated.

Investment Objectives

MainePERS’ investment objectives balance the System’s twin goals of generating investment returns (to ensure growth of the trust funds) and minimizing investment risks (loss of capital and cash flow shortfalls). The Board recognizes and accepts that these goals are in opposition, and that a trade-off exists between expected risk and return. The Board balances these goals by seeking to optimize portfolio returns consistent with an established targeted portfolio risk level. Additionally, by optimizing investment returns on trust assets, rather than attempting to maximize them, the Board seeks to maintain contribution rate and funding level volatility at acceptable levels that have been determined from time to time during strategic asset allocation planning and asset/liability reviews.

Strategic Asset Allocation and Rebalancing

The Investment Team and Board consultants shall annually review long-term capital market expectations and existing asset class allocations with Trustees. The Board shall review, and when strategically appropriate, approve recommended changes to the existing strategic asset classes, target weights, and ranges for implementation by the Investment Team. (See Appendix 1)

The specified policy weight ranges define minimum and maximum acceptable weights for each asset class. (See Appendix 2) The Investment Team shall maintain asset class weights within target ranges, subject to considerations such as transactions costs and the unique characteristics of private market investments, by reallocating capital within existing strategies and investments. The Investment Team will provide Trustees with reports showing the fund's current asset allocation at least monthly, and report on rebalancing activity quarterly.

Portfolio Risk Management

The primary method of controlling risk shall be the selection of the strategic asset allocation and asset class target weights within the allocation. (See Appendix 1) Combined with long term capital market expectations, these policy weights define a portfolio with a specific level of risk.

The Chief Investment Officer shall develop a risk strategy for managing assets within the Board approved strategic asset allocation. The risk strategy will specify practices and procedures for the measurement and management of portfolio risk, including the provision of a portfolio risk report to the Board at least quarterly. (See Appendix 3)

Nothing in the risk strategy shall override the Asset Classes, Policy Weights and Ranges described in Appendix 1.

Performance Objectives and Benchmarks

The Board acknowledges that benchmarks provide insight into fund and asset class performance, but are not necessarily guides for changing asset allocations or fund managers. The rate of return earned by fund assets will be measured against a policy benchmark comprised of the asset class benchmarks. (See Appendix 4) Returns earned by individual managers will be compared with a benchmark index appropriate to each manager's investment approach.

For performance evaluation purposes, all rates of return will be measured net of the deduction of investment management fees.

During a period of transition from one asset allocation to another, certain transitional allocations to appropriate benchmarks are permitted.

Investment Implementation

The Investment Team shall implement the investment policy, subject to Board guidelines:

- Exposure to publicly traded equity securities is expected to be obtained passively and with weightings substantially similar to those of the benchmarks specified in Appendix 4. Any exceptions must be approved by the Board.
- Investments within each Asset Class should be consistent with the Asset Class definitions provided in Appendix 1.

Environmental, Social, and Governance; Engagement

In performing due diligence and monitoring activities, the Board and the Investment Team shall comply with Board Policy 2.6, Environmental, Social and Governance Policy; and Board Policy 2.7, Engagement.

Investment Manager Selection and Allocation Process

MainePERS invests through external investment managers, who are charged to act as fiduciaries, and allocates fund assets among them in accordance with the strategic asset allocation. The Investment Team identifies, performs due diligence on, and recommends investment managers and allocations to the Board. The Investment Team also monitors performance and recommends retention and termination decisions to the Board. The Board retains final authority for manager selection, retention and termination decisions.

Managers are selected and retained on the basis of an evaluation that establishes sufficient confidence that the manager will improve the return and risk of the investment program. If and when the Investment Team and/or consultant(s) identify an investment manager that they believe will improve the investment program, the Investment Team will make a recommendation to the Board of Trustees that the manager be hired. This recommendation will be accompanied by an opinion by the investment consultant on this recommendation. The Board retains the final authority to accept or reject such recommendations.

The Investment Team will prepare and present to the Board of Trustees selection criteria they deem pertinent for each manager search and recommendation to hire. The Investment Team will provide the Board with all the necessary information and analysis to enable an informed decision. The Board may choose to interview the recommended manager or they may rely on the Investment Team to conduct interviews.

Derivatives

In general, the use of derivatives is permitted provided that the purpose of the derivative is to achieve an investment objective at lower cost and/or risk than would be the case with direct investments in the underlying securities. The System may also invest in strategies which use derivatives to obtain leverage. In all such cases, the use of derivatives must be disclosed to the

Governance Manual

MainePERS Board of Trustees

Board prior to the Board's approval, and the strategy must be structured so as to limit System liability to the amount committed to the strategy.

Leverage

The System may invest in strategies in which managers have discretion to use leverage. The use of leverage in any strategy must be disclosed to the Board prior to the Board's approval, and the strategy must be structured so as to limit System liability to the amount committed to the strategy.

Fossil Fuel and Private Prison Investments

The System may invest in strategies providing managers with broad discretion in the selection of investments. The potential for fossil fuel or for-profit prison investment must be disclosed to the Board prior to the Board's approval of a strategy. For those strategies likely to invest in stocks, securities or other obligations of fossil fuel or for-profit prison assets, disclosures will include a description of the expected role of such investments in the proposed strategy and discussion of the process leading to the selection of the strategy.

On an annual basis, the Board will be provided with a report summarizing the System's fossil fuel and for-profit prison investments. This report will include a discussion of the actual and expected changes in these exposures, and analysis of these exposures within the context of the divestment statutes, 5 M.R.S. §§ 1957 and 1958.

Hedging

The Board has reviewed the benefits and risks associated with foreign currency exposures. As a general rule the Board has chosen not to hedge currency at the portfolio level. Unless otherwise directed asset managers will have discretion to hedge investments under their management as they deem most beneficial to their mandate.

Co-Investments and Continuation Vehicles

The System may co-invest alongside private market funds in which the System is a current investor and may invest in continuation vehicles within the guidelines set forth in Appendix 5 without further Board approval. A continuation vehicle is a fund established by the general partner of an existing private market fund that is in the later stages of its life to receive one or more portfolio companies from the existing fund to provide the opportunity for limited partners to remain invested in the companies.

Transaction Costs and Brokerage

The Board of Trustees expects investment managers, in their capacity as fiduciaries, to manage transaction costs in the best interests of the System as an investor. To enable the managers to fulfill this fiduciary duty, it is the Board's policy not to be party to directed brokerage programs.

Securities Lending

The System may participate in a securities lending program either directly through its separately managed portfolios or indirectly through its investments in pooled vehicles. In each case, the securities lending program must focus on low risk, as opposed to maximization of returns. All DB Plan Assets are available for securities lending.

Monitoring

The Board relies on the Investment Team and the investment consultant(s) to continuously monitor the investment program and to report to the Board as outlined below.

- the Investment Team and investment consultant(s) provide comprehensive periodic reports on the entire investment program, including asset allocation, performance of each component relative to benchmarks, attribution analysis, and commentary.
- the Investment Team and investment consultant(s) monitor changes and developments at investment managers and at custodian(s) on an ongoing basis and report significant changes or events with recommended actions as needed.

Emergency Measures

Immediate action may be taken beyond the bounds of this policy under extraordinary circumstances and in order to preserve the best interests of the plans' participants by unanimous decision of the following:

- The Chair, or in the Chair's absence, Vice Chair of the Board
- The Chief Executive Officer, or in the Chief Executive Officer's absence, the Chief Operating Officer and General Counsel
- The Chief Investment Officer, or in the Chief Investment Officer's absence, Deputy Chief Investment Officer, or in the absence of both of them, the general investment consultant

Any such action must be reported to the Board of Trustees at the earliest opportunity.

Governance Manual

MainePERS Board of Trustees

Board Responsibilities – Investment Policy

Appendix 1: Asset Classes, Policy Weights and Ranges

Date Adopted: June 9, 2016

Date Amended: June 8, 2017; September 14, 2017; January 14, 2021; May 12, 2022

The System's assets are invested across nine Asset Classes that play four distinct Roles in the overall Fund. The Trustees define these Roles and Asset Classes and set target policy weights and ranges below.

	Weights		
	Minimum	Policy	Maximum
GROWTH	35%	42.5%	55%
Public Equity	20%	30%	40%
Private Equity	5%	12.5%	20%
RISK DIVERSIFIERS	0%	7.5%	12.5%
HARD ASSETS	15%	25%	35%
Real Estate	5%	10%	15%
Infrastructure	5%	10%	15%
Natural Resources	0%	5%	10%
CREDIT	5%	15%	20%
Traditional Credit	0%	5%	10%
Alternative Credit	0%	10%	15%
MONETARY HEDGE	5%	10%	15%
US Government Securities	5%	10%	15%
Cash	0%	0%	10%

Asset Class Definitions

The below Asset Class definitions are simplified and are intended to convey the general characteristics of investments held within each class. Some investment strategies involve assets and securities that span multiple asset classes.

Public Equity

Investments in publicly-traded shares of companies. May include different classes of common stock, shares of REITs, and MLPs.

Private Equity

Investments in non-publicly traded shares of companies. Investments are typically made via private limited partnerships, and may include both equity and debt securities.

Governance Manual

MainePERS Board of Trustees

Risk Diversifiers

Investments typically made through private funds that generally invest in listed assets such as stocks, bonds, and commodities, via strategies that are expected to have little correlation with declining or rising stock markets.

Real Estate

Investments providing direct exposure Real Estate, including investments through private funds.

Infrastructure

Investments typically made through private funds that generally invest in assets that meet most or all of the following criteria: provide essential public services, possess monopoly-like characteristics, provide long term contracted cash flows, and bear limited volumetric and price risk.

Natural Resources

Investments in private funds that generally invest in businesses focused on natural resources such as timberland, agriculture, and mining. Private energy investments will generally be included in Private Equity, rather than Natural Resources.

Traditional Credit

Investments in investment-grade debt instruments that are not issued by the U.S. Government. Such debt may or may not be registered for sale to the general public.

Alternative Credit

Investments in debt instruments issued by non-investment grade and unrated entities. This may include, but is not limited to high yield debt, bank loans, structured debt, and asset-backed debt. Alternative credit investments are expected to pay or accrue periodic interest and to return principal at maturity. Distressed debt and other debt or yield-oriented securities that include equity-like exposures are considered Private Equity, not Alternative Credit.

Monetary Hedges

Investments in debt instruments issued by the U.S. Government, including nominal Treasury securities and Treasury Inflation Protected Securities (TIPS), held in approximately equal proportions.

Governance Manual

MainePERS Board of Trustees

Roles in the Overall Fund

Each of the above asset classes fills a specific Role in the overall portfolio. These Roles are defined below.

Growth Assets

Growth Assets are intended to reduce the system's funding needs in the long term by appreciating in value. Growth Assets possess inherently higher expected returns than other asset classes. Growth Assets also have higher expected volatility than other asset classes, and are expected to increase funding volatility in the short run.

Risk Diversifiers

Risk Diversifiers are investments that primarily derive their return from alpha (or active manager skill) as opposed to market directionality. Risk Diversifiers are expected to provide significant risk diversification benefits away from Growth Assets.

Hard Assets

Investments in the Hard Assets category provide exposure to long-lived "real" assets, such as real estate, timber, agricultural, and infrastructure assets. Expected return levels of Hard Assets are lower than those of Growth Assets, and a substantial portion of such returns is expected to come from ongoing cash flows. Hard Assets are expected to provide inflation protection, to have low correlation with Growth Assets, and to provide diversification benefits.

Credit Assets

Credit investments provide capital to end-users via loans and the purchase of debt securities. Such investments provide for contractual returns (interest) and repayment of principal. Credit investments possess lower risk and expected returns than equity investments, but have higher risk and expected returns than monetary hedges. Credit investments are expected to provide diversification away from Growth Assets.

Monetary Hedges

The role of Monetary Hedges in the portfolio is to provide liquidity and a safe harbor in times of turbulence. These investments are cash and obligations of the U.S. Government, and are considered to be free of default risk.

Governance Manual

MainePERS Board of Trustees

Board Responsibilities – Investment Policy

Appendix 2: Rebalancing

Date Adopted: June 9, 2016

Date Amended: May 12, 2022; July 14, 2022

The Board has set target weights for each Asset Class and Role in Portfolio category in Appendix 1, and delegates the management of asset class allocation to the Investment Team. The Investment Team is expected to maintain asset class weights near target, subject to considerations such as transactions costs and the unique funding and liquidity characteristics of private market investments.

To this end, the Team is permitted to reallocate capital within existing strategies and investments for rebalancing purposes. The Investment Team is expected to consider both Role in Portfolio and Asset Class policy weights when rebalancing. The Team will provide Trustees with reports showing the Fund's current asset allocation at least monthly, and report on rebalancing activity at least quarterly.

In the specific case of the System's Risk Diversifier allocation, the Investment Team is permitted to rebalance across existing managers and strategies, consistent with the goal of maintaining diversification within the allocation. Rebalancing activity will be reported to Trustees at least quarterly.

Governance Manual

MainePERS Board of Trustees

Board Responsibilities – Investment Policy

Appendix 3: Risk Strategy

Date Adopted: June 9, 2016

Date Amended: New

While this Risk Strategy is in development the Chief Investment Officer shall rely on the Strategic Asset Allocation and Rebalancing provisions of this policy to manage the Fund's risk.

The Investment Team and the Board believe that this approach will deliver an appropriate expected return with commensurate risk over a long term horizon. However they also recognize that the portfolio's realized risk will vary over time which may result in periods during which the fund bears substantially higher risk than the System initially targeted.

In an effort to achieve more stable (less volatile) returns, the Investment Team will seek to develop management tools and practices that they believe will be better able to keep the fund's risk in an acceptable range.

This Risk Strategy shall be updated from time to time by the Trustees to reflect recommendations developed by the Chief Investment Officer.

Nothing in the Risk Strategy shall override the Asset Classes, Policy Weights and Ranges described in Appendix 1.

Governance Manual

MainePERS Board of Trustees

Board Responsibilities – Investment Policy

Appendix 4: Policy Benchmarks

Date Adopted: June 9, 2016

Date Amended: June 8, 2017, January 14, 2021, May 12, 2022

Asset	Benchmark	Weight
Total Public Equity	Russell 3000 & MSCI ACWI ex-USA, based on ACWI weights	30%
Private Equity	Russell 3000 + 3%	12.5%
Diversifiers	0.3 Beta MSCI ACWI	7.5%
Real Estate	NCREIF Property (lagged one quarter)	10%
Infrastructure	CA Infrastructure Median	10%
Natural Resources	CA Natural Resources Median	5%
Traditional Credit	Barclays US Aggregate, ex Treasury	5%
Alternative Credit	50% BAML US HY II + 50% S&P/LSTA US Leveraged Loan Index	10%
U.S. Government Securities	50% Bloomberg Barclays U.S. Government Bond Market Index + 50% Bloomberg U.S. TIPS Index	10%

Governance Manual

MainePERS Board of Trustees

Board Responsibilities – Investment Policy

Appendix 54: Co-Investments and Continuation Vehicles

Date Adopted: ~~June 9, 2016~~ May 12, 2022

Date Amended: ~~June 8, 2017; January 14, 2021; May 12, 2022; March 14, 2024~~

Co-investments and investments in continuation vehicles are permitted within private market asset classes, subject to the below guidelines.

Target Allocation	7.5% of total Fund. This target is a subset of the total 47.5% allocation to private market asset classes, and is not in addition to that allocation. <u>The 7.5% target includes investments in both co-investments and continuation vehicles.</u>
Asset Classes	Co-investments <u>and investments in continuation vehicles</u> may be made in each of the private market asset classes.
Discretion	Investment Team has discretion to make co-investments <u>and investments in continuation vehicles</u> , in conjunction <u>consultation</u> with the asset class consultant.
Signatories	The Chief Executive Officer, Chief Investment Officer, and General Counsel are authorized as signatories to execute documents in connection with co-investments <u>and investments in continuation vehicles</u> .
Permissible Partners	Unless otherwise authorized, co-investments will only be made alongside Funds in which the System is a current investor. <u>Unless otherwise authorized, investments in continuation vehicles will only be made in cases where the vehicle is being formed to continue ownership of assets being acquired from a fund in which the System is a current investor.</u>
Size Limits	Unless otherwise authorized, maximum of \$25m invested into any single co-investment <u>or continuation vehicle</u> .

Governance Manual

MainePERS Board of Trustees

	<p>Unless otherwise authorized, maximum of \$200m aggregate <u>continuation vehicle investment and</u> co-investment in a single asset class with any single General Partner.</p> <p>The Investment Team will provide additional co-investment portfolio reporting to Trustees for those General Partners with more than \$100m of aggregate <u>continuation vehicle investment and</u> co-investment in any single asset class.</p>
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MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS
FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER
SUBJECT: MONTHLY INVESTMENT REVIEW
DATE: MARCH 6, 2024

Following this memo is the Monthly Investment Review for February.

POLICY REFERENCE

[Board Policy 2.1 – Investment Policy Statement](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communication and Support to the Board](#)

MONTHLY INVESTMENT REVIEW: HIGHLIGHTS AND OBSERVATIONS

Preliminary Fund results for the month include:

- Month-end fund value of \$19.3 billion.
- Monthly return of 1.0%.
- Calendar year-to-date return of 0.9%.
- Fiscal year-to-date return of 4.4%.



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Investment Review

March 14, 2024

Investment Policy Objective

Investment Objective

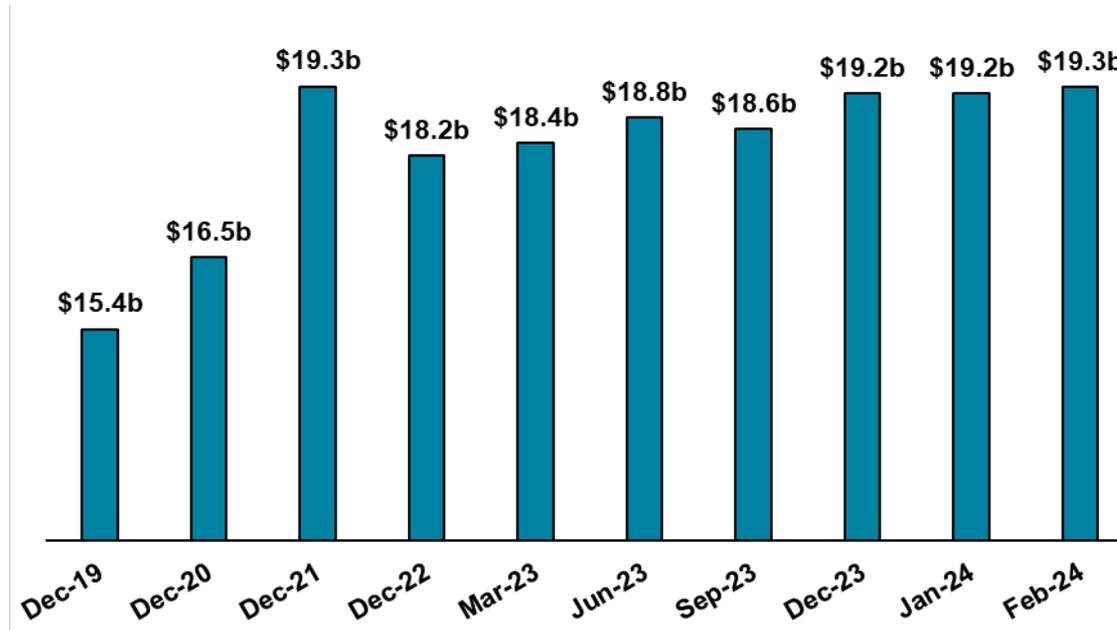
MainePERS' investment objectives balance the System's twin goals of generating investment returns (to ensure growth of the trust funds) and minimizing investment risks (loss of capital and cash flow shortfalls).

The Board recognizes and accepts that these goals are in opposition, and that a trade-off exists between expected risk and return. The Board balances these goals by seeking to optimize portfolio returns consistent with an established targeted portfolio risk level.

Additionally, by optimizing investment returns on trust assets, rather than attempting to maximize them, the Board seeks to maintain contribution rate and funding level volatility at acceptable levels that have been determined from time to time during strategic asset allocation planning and asset/liability reviews.

February 2024 Performance (Preliminary)

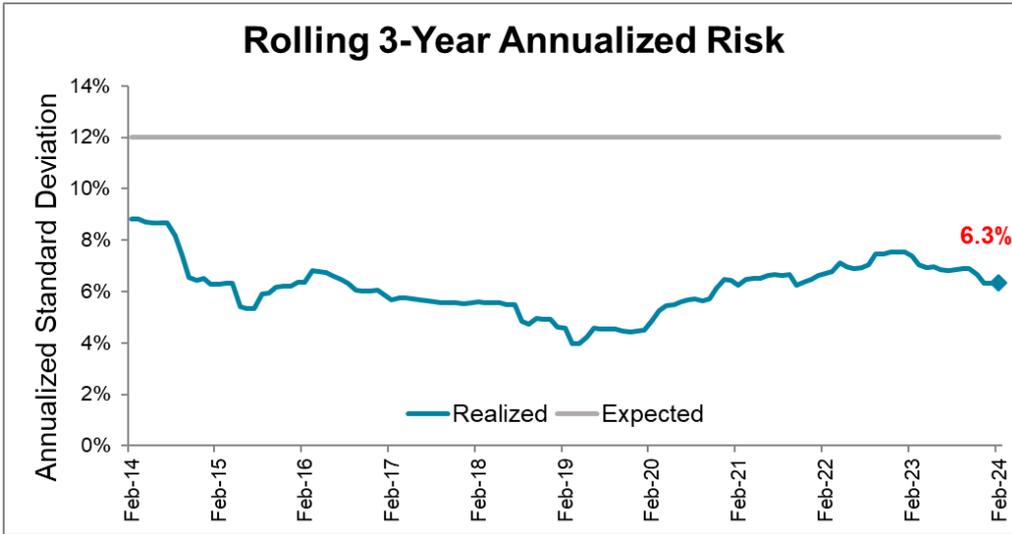
The **preliminary** fund value at the end of February is \$19.3 billion.



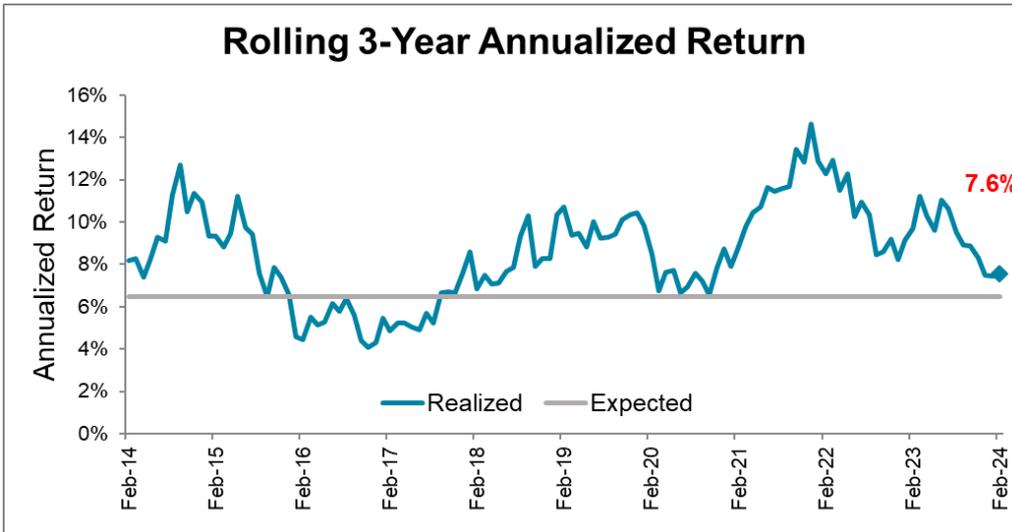
Fund and Benchmark Returns

	Feb-24	CYTD 2023	FYTD 2024
Total Fund	1.0%	0.9%	4.4%
Russell 3000	5.4%	6.6%	15.6%
MSCI ACWI ex-USA	2.5%	1.5%	7.2%
Bloomberg US Aggregate	-1.4%	-1.7%	1.6%

Investment Objective Measurement: Risk and Return



Despite heightened volatility in 2022, observed risk at the Fund level remains below targeted risk on a rolling 3-year annualized basis.



On a rolling 3-year annualized basis, investment returns have exceeded expected values and the System's discount rate.

Note: Rolling 3-year return and standard deviation are calculated at each point in time based on returns over prior 36 months. All figures are annualized.

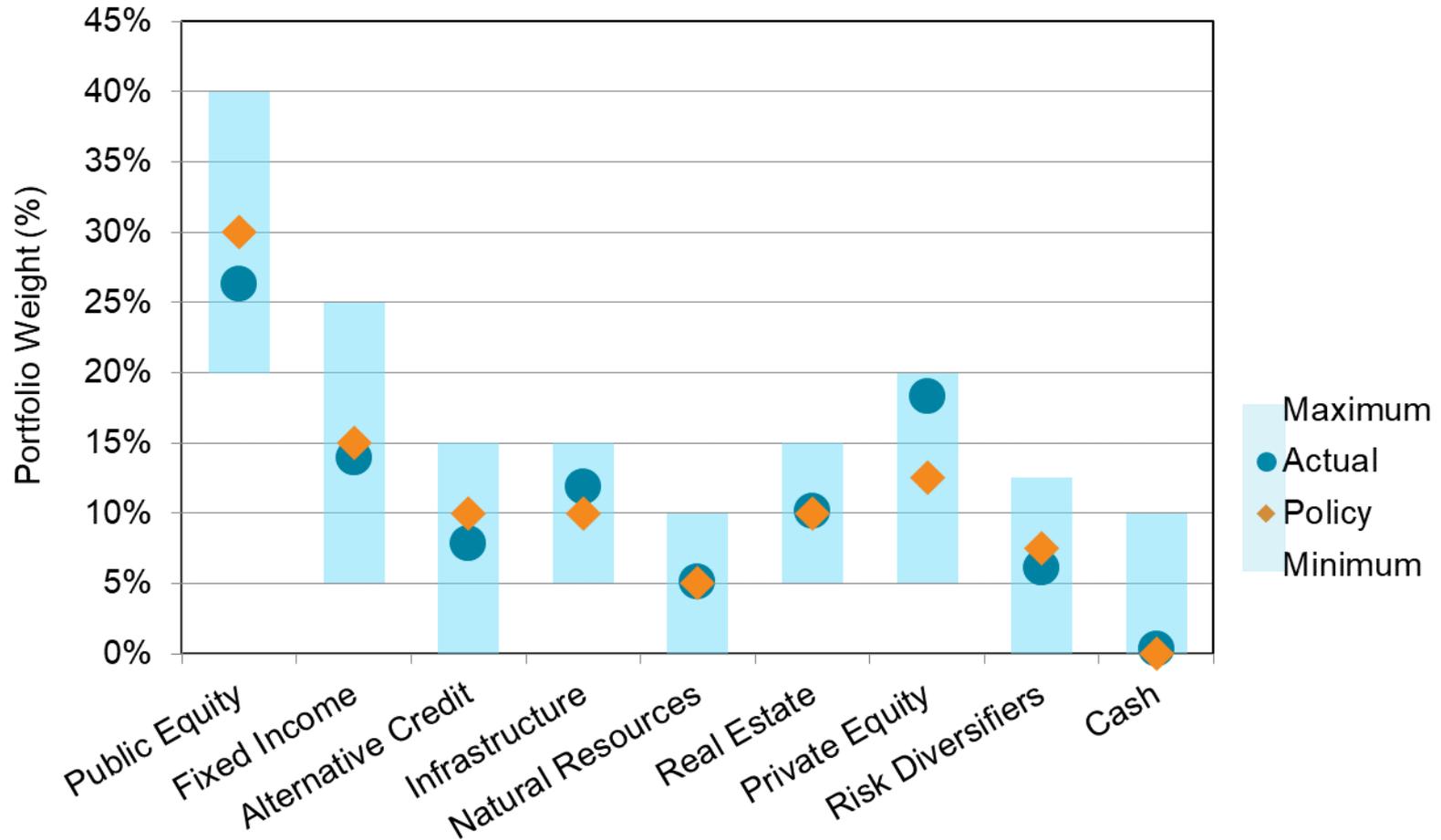
February 2024 Asset Allocation (Preliminary)

Assets (Millions)	Value	% of Fund	Policy %
MainePERS Portfolio	\$ 19,271	100.0%	100.0%
Domestic Equity	\$ 3,223	16.7%	18.9%
International Equity	\$ 1,840	9.5%	11.1%
Fixed Income	\$ 2,691	14.0%	15.0%
Alternative Credit	\$ 1,505	7.8%	10.0%
Infrastructure	\$ 2,293	11.9%	10.0%
Natural Resources	\$ 992	5.1%	5.0%
Private Equity	\$ 3,534	18.3%	12.5%
Real Estate	\$ 1,950	10.1%	10.0%
Risk Diversifiers	\$ 1,184	6.1%	7.5%
Cash	\$ 58	0.3%	0.0%

Portfolio weights for most asset classes remain near MainePERS Investment Policy asset allocation weights.

Private equity remains overweight at ~18% of Fund value, and private markets assets in aggregate comprise 53.3% of the overall portfolio, above the 47.5% policy weight.

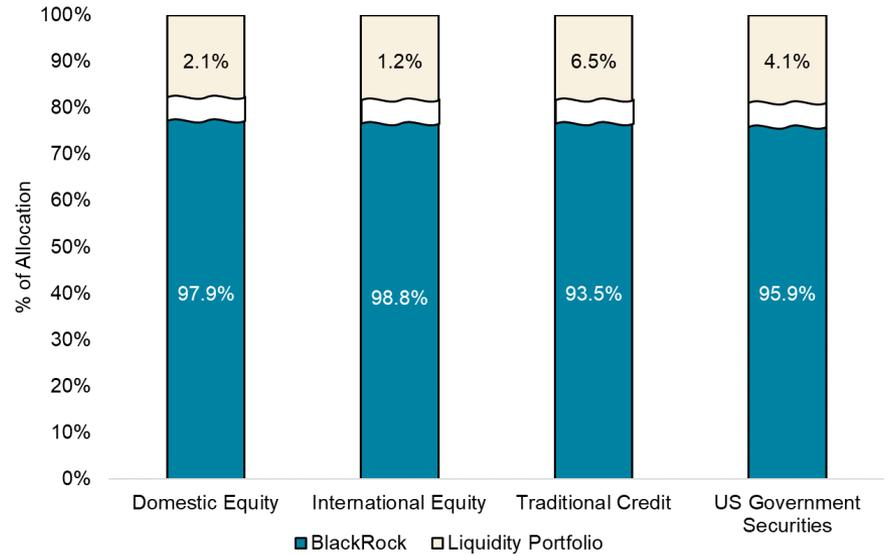
February 2024 Asset Allocation (Preliminary)



Public Securities: Liquidity Portfolio

At the end of February, 1.1% of Fund assets were invested via ETFs and futures contracts in an account managed by Parametric Associates.

The Liquidity Portfolio accounts for 2.8% of MainePERS' total exposure to public securities.



MainePERS Liquidity Portfolio	Market Value (Millions)	Exposure Type
Parametric Domestic Equity	\$67.4	Futures
Parametric International Equity	\$22.6	Futures
Parametric Traditional Credit	\$56.0	ETFs
Parametric US Government Securities	\$74.7	Futures
Total Liquidity Portfolio	\$220.8	

Derivatives and Leverage

MainePERS has **exposure to derivatives** in the following areas:

- Public Equities, Public Fixed Income, and Risk Diversifiers

MainePERS has **financial leverage** (borrowing and investing) in the following areas:

- BlackRock – Financial leverage in securities lending
- JP Morgan – Financial leverage in securities lending
- Alternative Credit
- Infrastructure
- Natural Resources
- Private Equity
- Real Estate

Investment Related Fees: February 2024

Description	FYTD 24	FY 23	FY 22	FY 21	FY 20
Investment Mgmt. Fees	\$90,903,535	\$133,285,971	\$130,884,088	\$120,429,567	\$122,567,451
Securities Lending Fees ¹	822,428	1,303,543	1,744,317	1,653,172	2,239,396
Consulting Fees	810,000	1,193,543	1,120,000	1,120,000	1,120,000
Broker Commissions ²	44,046	136,039	77,558	52,364	37,461
Placement Agent Fees	0	0	0	0	0
Total	\$92,580,009	\$135,919,096	\$133,825,963	\$123,255,103	\$125,964,308
Percentage of Fund ³	0.72%	0.72%	0.73%	0.68%	0.86%

1. Securities Lending Fees are through 1/31/2024
2. Actual paid commissions reported by JP Morgan
3. For FY24: Total fees projected for the full fiscal year (\$138,870,014) divided by current Fund value.
For prior FY: Total fees divided by FYE Fund value.

Securities Lending: January 2024

	Average Lendable Assets	Average Assets On Loan	Total Sec Lending Revenue	Revenue Split	MainePERS Net Income	MainePERS Net Income, FYTD
BlackRock						
Fixed Income	\$2,125,952,954	\$1,421,402,922	\$205,674	60%/40%	\$123,405	\$870,013
Total Equity	\$1,579,699,139	\$150,023,851	\$67,868	60%/40%	\$44,919	\$413,968
Total Blackrock	\$3,705,652,093	\$1,571,426,773	\$273,542		\$168,324	\$1,283,981
JP Morgan						
Domestic Equities	\$2,808,768,720	\$116,444,330	\$25,669	85%/15%	\$21,822	\$197,901
Total JP Morgan	\$2,808,768,720	\$116,444,330	\$25,669		\$21,822	\$197,901
Total	\$6,514,420,813	\$1,687,871,103	\$299,211		\$190,146	\$1,481,882
Total Annualized Securities Lending Income, FY 2024:				\$2,540,370 (0.01%, or 1.3 bps)		
Total Actual Securities Lending Income, FY 2023:				\$2,557,153 (0.01%, or 1.4 bps)		

Liquidity Schedule: February 2024

Term	Market Value	Percent of Portfolio
Liquid ¹	\$7,812m	40.5%
Semi-Liquid ²	\$2,447m	12.7%
Illiquid ³	\$9,012m	46.8%
Total	\$19,271m	100.0%

<u>Sources and Uses of Liquidity</u>		
	Last 12 Months Actual	Next 12 Months Projection
Private Markets Activity		
Capital Contributions	-\$1,061m	-\$770m
Distributions	\$1,197m	\$1,820m
Net Private Markets Activity	\$136m	\$1,050m
Benefit Payments	-\$445m	-\$460m
Net Cash Flows	-\$309m	\$590m

¹Liquid assets includes public equities and public fixed income

²Semi-liquid assets includes risk diversifiers, open-end real estate investments, and listed alternative credit funds

³Illiquid assets includes closed-end alternative credit, infrastructure, natural resources, private equity, and real estate funds

MainePERS Alternative Investments Summary

<i>as of 02/29/2024</i>	# of Funds	# of GP Relationships
Alternative Credit	25	13
Infrastructure	35	11
Natural Resources	16	10
Private Equity	126	34
Real Estate	34	18
Risk Diversifiers	11	10
Total*	247	87

*GP Total may not add due to overlapping relationships

Currently, MainePERS is invested in 247 funds,
and has 87 distinct manager relationships.

MainePERS Alternative Investments Summary

<i>(in \$millions)</i> as of 02/29/2024	<u>Current Market Value</u>			<u>Unfunded Commitment</u>	
	Dollars	% of Fund	Policy %*	Dollars	% of Fund
Alternative Credit	\$ 1,505	7.8%	10.0%	\$ 705	3.7%
Infrastructure	\$ 2,293	11.9%	10.0%	\$ 514	2.7%
Natural Resources	\$ 992	5.1%	5.0%	\$ 214	1.1%
Private Equity	\$ 3,534	18.3%	12.5%	\$ 1,137	5.9%
Real Estate	\$ 1,950	10.1%	10.0%	\$ 361	1.9%
Risk Diversifiers	\$ 1,184	6.1%	7.5%	\$ 85	0.4%
Total Alternatives	\$ 11,458	59.5%	55.0%	\$ 3,017	15.7%

For more details please see Private Markets Investment Summary at <http://www.maineper.org/Investments/>

*Investment Policy weights approved by the Board of Trustees effective May 2022

Note: Market values shown above are preliminary estimates. Private market asset values are based on 9/30/2023 values, adjusted for subsequent cash flows.

<i>(in \$millions)</i> as of 02/29/2024	<u>Private Market Commitments by Vintage Year</u>				3-Year Average ¹
	2021	2022	2023	2024	
Alternative Credit	\$ 410	\$ 550	\$ 80	\$ 100	\$ 347
Infrastructure	\$ 180	\$ 200	\$ 50	\$ -	\$ 143
Natural Resources	\$ -	\$ 30	\$ 40	\$ -	\$ 23
Private Equity	\$ 438	\$ 218	\$ 71	\$ 124	\$ 242
Real Estate	\$ 285	\$ 180	\$ 50	\$ -	\$ 172
Total Commitments	\$ 1,313	\$ 1,178	\$ 291	\$ 224	\$ 927

¹13-Year Average: 2021-2023

MainePERS Private Market Investments Summary: 09/30/2023

Asset Class Summary	Commitment (A)	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alternative Credit	\$ 2,476,510	\$ 1,928,817	\$ 793,139	\$ 1,495,365	\$ 2,288,504	7.4%
Infrastructure	\$ 3,427,079	\$ 3,589,037	\$ 2,836,562	\$ 2,316,829	\$ 5,153,391	11.1%
Natural Resources	\$ 1,060,500	\$ 1,101,386	\$ 451,297	\$ 981,795	\$ 1,433,092	6.2%
Private Equity	\$ 4,937,582	\$ 4,839,179	\$ 4,222,538	\$ 3,599,546	\$ 7,822,084	15.5%
Real Estate	\$ 2,740,833	\$ 2,741,326	\$ 1,930,501	\$ 1,904,981	\$ 3,835,482	6.7%
Total	\$ 14,642,504	\$ 14,199,745	\$ 10,234,037	\$ 10,298,516	\$ 20,532,554	10.2%

Note: This Asset Class Summary table includes all private market investments: both fund investments and co-investments.

Co-Investment Summary	Commitment (A)	# of Co- Investments	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Alternative Credit Co-Investments	\$ 260,353	35	\$ 257,290	\$ 91,693	\$ 208,716	\$ 300,409	9.5%
Infrastructure Co-Investments	\$ 217,762	11	\$ 215,308	\$ 254,113	\$ 129,012	\$ 383,125	14.4%
Natural Resources Co-Investments	\$ 32,500	2	\$ 32,662	\$ 37	\$ 49,868	\$ 49,906	11.1%
Private Equity Co-Investments	\$ 378,643	33	\$ 378,049	\$ 315,568	\$ 256,651	\$ 572,219	12.9%
Real Estate Co-Investments	\$ 66,646	5	\$ 58,775	\$ 7,504	\$ 41,498	\$ 49,003	-6.1%
Total	\$ 955,905	86	\$ 942,084	\$ 668,916	\$ 685,745	\$ 1,354,661	12.2%

Note: This table contains values for the co-investment portion of the private market portfolio.

MainePERS Private Market Investments Summary: 09/30/2023

Alternative Credit

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Angelo Gordon Direct Lending Fund II	\$ 25,000	3/31/2020	\$ 23,749	\$ 22,351	\$ 11,314	\$ 33,665	18.5%
Angelo Gordon Direct Lending Fund III	\$ 100,000	7/20/2018	\$ 102,623	\$ 78,072	\$ 62,892	\$ 140,964	10.5%
Participation Agreement #1	\$ 7,500	10/11/2019	\$ 7,497	\$ 2,525	\$ 7,092	\$ 9,617	8.9%
Participation Agreement #2	\$ 5,000	10/11/2019	\$ 4,994	\$ 5,422	\$ -	\$ 5,422	8.8%
Participation Agreement #3	\$ 5,000	10/11/2019	\$ 5,000	\$ 5,700	\$ -	\$ 5,700	7.3%
Participation Agreement #4	\$ 10,000	10/18/2019	\$ 9,915	\$ 2,705	\$ 9,562	\$ 12,267	9.0%
Participation Agreement #5	\$ 5,000	12/6/2019	\$ 5,000	\$ 2,574	\$ 4,048	\$ 6,622	9.7%
Participation Agreement #6	\$ 10,000	12/6/2019	\$ 9,991	\$ 2,804	\$ 9,548	\$ 12,352	9.6%
Participation Agreement #7	\$ 5,000	12/11/2019	\$ 5,000	\$ 2,053	\$ 4,571	\$ 6,624	9.0%
Participation Agreement #8	\$ 5,000	8/13/2020	\$ 4,866	\$ 1,748	\$ 4,548	\$ 6,296	9.5%
Participation Agreement #9	\$ 7,500	4/9/2021	\$ 7,425	\$ 1,951	\$ 7,078	\$ 9,029	10.2%
Participation Agreement #10	\$ 5,000	4/20/2021	\$ 4,996	\$ 1,528	\$ 4,531	\$ 6,059	9.5%
Participation Agreement #11	\$ 5,000	5/5/2021	\$ 5,000	\$ 1,096	\$ 4,589	\$ 5,685	6.1%
Angelo Gordon Direct Lending Fund IV	\$ 100,000	1/24/2020	\$ 90,000	\$ 15,718	\$ 99,450	\$ 115,168	12.0%
Participation Agreement #1	\$ 5,000	10/23/2020	\$ 4,913	\$ 2,199	\$ 3,848	\$ 6,047	8.8%
Participation Agreement #2	\$ 12,500	8/17/2021	\$ 12,295	\$ 2,224	\$ 12,044	\$ 14,268	9.3%
Participation Agreement #3	\$ 7,500	10/5/2021	\$ 7,500	\$ 7,913	\$ -	\$ 7,913	NM
Participation Agreement #4	\$ 5,000	12/21/2021	\$ 4,925	\$ 901	\$ 4,866	\$ 5,767	NM
Participation Agreement #5	\$ 5,000	12/21/2021	\$ 4,925	\$ 1,260	\$ 4,469	\$ 5,729	NM
Participation Agreement #6	\$ 5,000	1/12/2022	\$ 4,925	\$ 898	\$ 4,861	\$ 5,759	NM
Participation Agreement #7	\$ 7,500	1/12/2022	\$ 7,378	\$ 1,342	\$ 7,274	\$ 8,617	NM
Participation Agreement #8	\$ 12,500	6/16/2022	\$ 12,391	\$ 1,818	\$ 12,220	\$ 14,037	NM
Angelo Gordon Direct Lending Fund IV Annex	\$ 50,000	11/18/2021	\$ 47,500	\$ 4,818	\$ 49,759	\$ 54,577	NM
Angelo Gordon Direct Lending Fund V	\$ 125,000	8/3/2022	\$ 53,125	\$ -	\$ 59,405	\$ 59,405	NM
Participation Agreement #1	\$ 7,500	9/1/2022	\$ 7,388	\$ 896	\$ 7,315	\$ 8,211	NM
Participation Agreement #2	\$ 12,500	10/7/2022	\$ 12,263	\$ 963	\$ 12,250	\$ 13,213	NM
Participation Agreement #3	\$ 10,000	10/19/2022	\$ 9,850	\$ 1,123	\$ 9,751	\$ 10,874	NM
Participation Agreement #4	\$ 10,000	10/27/2022	\$ 9,800	\$ 1,435	\$ 9,295	\$ 10,730	NM
Participation Agreement #5	\$ 10,000	2/27/2023	\$ 9,814	\$ 766	\$ 9,762	\$ 10,528	NM
Ares Capital Europe IV	\$ 122,000	4/30/2018	\$ 96,890	\$ 24,885	\$ 84,897	\$ 109,782	3.7%
Ares Capital Europe V	\$ 122,000	9/4/2020	\$ 88,922	\$ 6,744	\$ 89,579	\$ 96,323	5.6%
Ares Capital Europe VI	\$ 82,500	3/17/2023	\$ 0	\$ -	\$ 519	\$ 519	NM
Ares Senior Direct Lending Fund II	\$ 100,000	12/10/2021	\$ 56,230	\$ 7,706	\$ 57,494	\$ 65,200	NM
Ares Senior Direct Lending Fund III	\$ 100,000	7/28/2023	\$ -	\$ -	\$ -	\$ -	NM

MainePERS Private Market Investments Summary: 09/30/2023

Alternative Credit

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Audax Senior Debt (MP), LLC	\$ 100,000	6/30/2017	\$ 100,000	\$ 75,700	\$ 56,403	\$ 132,103	5.1%
Brookfield Infrastructure Debt Fund III	\$ 100,000	7/15/2022	\$ 53,696	\$ 10,444	\$ 45,170	\$ 55,615	NM
Comvest Credit Partners VI	\$ 125,000	5/20/2022	\$ 68,750	\$ 12,741	\$ 61,579	\$ 74,320	NM
Deerpath Capital VI	\$ 75,000	9/30/2021	\$ 54,590	\$ 7,055	\$ 55,550	\$ 62,604	8.4%
Global Infrastructure Partners Spectrum	\$ 100,000	2/20/2019	\$ 73,223	\$ 29,601	\$ 50,578	\$ 80,179	6.8%
Mesa West Core Lending Fund	\$ 100,000	6/18/2013	\$ 127,612	\$ 64,415	\$ 113,170	\$ 177,585	5.4%
Owl Rock Capital Corporation	\$ 100,000	3/10/2017	\$ 116,571	\$ 53,149	\$ 106,664	\$ 159,813	7.9%
Participation Agreement #1	\$ 5,000	5/7/2018	\$ 4,851	\$ 5,499	\$ -	\$ 5,499	12.7%
Participation Agreement #2	\$ 6,185	7/31/2018	\$ 6,196	\$ 7,745	\$ -	\$ 7,745	9.9%
Participation Agreement #3	\$ 5,000	8/7/2018	\$ 4,938	\$ 5,634	\$ -	\$ 5,634	7.9%
Participation Agreement #4	\$ 5,000	8/20/2018	\$ 4,566	\$ 5,835	\$ -	\$ 5,835	8.1%
Participation Agreement #5	\$ 5,000	12/21/2018	\$ 4,988	\$ 2,141	\$ 4,453	\$ 6,594	7.5%
Participation Agreement #6	\$ 11,653	8/7/2020	\$ 12,181	\$ 3,868	\$ 10,594	\$ 14,461	9.9%
Participation Agreement #7	\$ 7,500	7/26/2021	\$ 6,558	\$ 1,419	\$ 6,484	\$ 7,903	9.8%
Participation Agreement #8	\$ 12,500	6/17/2022	\$ 12,778	\$ 2,046	\$ 12,043	\$ 14,090	NM
Participation Agreement #9	\$ 7,500	9/26/2022	\$ 7,388	\$ 898	\$ 7,295	\$ 8,193	NM
Owl Rock Capital Corporation III	\$ 100,000	6/19/2020	\$ 118,400	\$ 22,255	\$ 122,930	\$ 145,185	10.8%
Pathlight Capital Fund II	\$ 75,000	4/22/2021	\$ 113,652	\$ 60,955	\$ 64,516	\$ 125,470	10.0%
Participation Agreement #1	\$ 7,500	4/1/2022	\$ 7,368	\$ 1,564	\$ 7,016	\$ 8,580	NM
Participation Agreement #2	\$ 7,500	4/1/2022	\$ 7,429	\$ 1,198	\$ 7,311	\$ 8,510	NM
Pathlight Capital Fund III	\$ 75,000	6/24/2022	\$ 76,862	\$ 25,931	\$ 55,558	\$ 81,490	NM
Solar Capital Private Corporate Lending Fund	\$ 50,000	6/26/2019	\$ 40,188	\$ 8,648	\$ 41,518	\$ 50,165	11.8%
Solar Capital Debt Fund	\$ 50,000	6/26/2019	\$ 25,000	\$ 3,098	\$ 26,493	\$ 29,591	13.0%
SLR Private Corporate Lending Fund II	\$ 125,000	12/23/2022	\$ -	\$ -	\$ -	\$ -	NM
Silver Point Specialty Credit II	\$ 50,000	1/31/2020	\$ 59,634	\$ 28,400	\$ 40,076	\$ 68,475	10.0%
Tennenbaum Direct Lending VIII	\$ 100,000	11/30/2017	\$ 100,883	\$ 86,361	\$ 37,799	\$ 124,160	6.3%

MainePERS Private Market Investments Summary: 09/30/2023

Infrastructure

Fund Name	Commitment		Amount	Total	Current	Total Value (C+D)	Interim Net IRR
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Market Value (D)		
Alinda Infrastructure Fund II	\$ 50,000	9/17/2009	\$ 68,297	\$ 74,099	\$ 265	\$ 74,365	1.9%
ArcLight Energy V	\$ 75,000	10/28/2011	\$ 76,031	\$ 103,624	\$ -	\$ 103,624	8.0%
Shore Co-Investment Holdings II	\$ 20,000	1/30/2014	\$ 17,709	\$ 19,737	\$ -	\$ 19,737	8.4%
ArcLight Energy VI	\$ 150,000	11/25/2014	\$ 159,687	\$ 134,744	\$ 51,448	\$ 186,191	3.6%
Great River Hydro Partners	\$ 12,000	6/17/2017	\$ 10,718	\$ 45,094	\$ -	\$ 45,094	39.5%
Brookfield Infrastructure Fund II	\$ 100,000	6/28/2013	\$ 117,448	\$ 113,934	\$ 88,594	\$ 202,528	10.0%
Brookfield Infrastructure Fund III	\$ 100,000	4/15/2016	\$ 110,706	\$ 59,689	\$ 108,410	\$ 168,099	12.2%
Co-Investment #1	\$ 20,000	3/31/2017	\$ 15,952	\$ 21,225	\$ 16,058	\$ 37,283	26.7%
Carlyle Global Infrastructure Opportunity Fund	\$ 100,000	5/1/2019	\$ 93,946	\$ 23,574	\$ 91,376	\$ 114,950	11.8%
Carlyle Infrastructure Partners	\$ 50,000	11/2/2007	\$ 57,366	\$ 64,289	\$ 345	\$ 64,635	2.5%
Carlyle Power Partners II	\$ 50,000	11/19/2015	\$ 64,349	\$ 41,978	\$ 50,914	\$ 92,892	10.6%
Cube Infrastructure	\$ 45,000	4/16/2010	\$ 60,063	\$ 96,665	\$ 422	\$ 97,087	8.0%
Cube Infrastructure II	\$ 90,000	9/11/2018	\$ 78,539	\$ 5,744	\$ 71,910	\$ 77,654	-0.3%
Cube Infrastructure III	\$ 90,000	8/16/2021	\$ 45,481	\$ -	\$ 46,529	\$ 46,529	2.0%
EQT Infrastructure III	\$ 68,000	12/3/2016	\$ 104,276	\$ 156,706	\$ 21,845	\$ 178,551	20.4%
EQT Infrastructure IV	\$ 100,000	12/17/2018	\$ 97,706	\$ 17,180	\$ 110,342	\$ 127,521	10.5%
EQT Infrastructure V	\$ 75,000	12/8/2020	\$ 62,693	\$ 8,532	\$ 62,074	\$ 70,606	10.2%
First Reserve Energy Infrastructure Fund	\$ 50,000	6/30/2010	\$ 59,778	\$ 52,235	\$ 3,739	\$ 55,974	-1.8%
First Reserve Energy Infrastructure Fund II	\$ 100,000	10/21/2013	\$ 128,288	\$ 128,229	\$ 27,384	\$ 155,614	11.8%
Global Infrastructure Partners Sonic	\$ 35,000	7/31/2020	\$ 32,792	\$ -	\$ 19,984	\$ 19,984	-15.3%
Global Infrastructure Partners	\$ 75,000	3/31/2008	\$ 101,173	\$ 205,062	\$ 234	\$ 205,296	17.2%
Global Infrastructure Partners II	\$ 75,000	12/3/2011	\$ 105,524	\$ 145,737	\$ 36,936	\$ 182,673	15.6%
Global Infrastructure Partners III	\$ 150,000	4/15/2016	\$ 184,977	\$ 107,052	\$ 153,706	\$ 260,758	9.8%
Co-Investment #1	\$ 29,000	2/28/2017	\$ 27,782	\$ 16,891	\$ 32,745	\$ 49,636	12.7%
Co-Investment #2	\$ 25,000	8/16/2018	\$ 27,071	\$ 3,392	\$ 21,877	\$ 25,269	-1.5%
Global Infrastructure Partners IV	\$ 150,000	12/21/2018	\$ 141,865	\$ 15,348	\$ 135,329	\$ 150,676	4.4%
IFM Global Infrastructure (US), L.P.	\$ 100,000	12/20/2012	\$ 144,550	\$ 208,040	\$ -	\$ 208,040	9.8%
KKR Diversified Core Infrastructure Fund	\$ 100,000	4/29/2022	\$ 101,009	\$ 1,009	\$ 103,468	\$ 104,477	NM
KKR Global Infrastructure Investors	\$ 75,000	9/29/2010	\$ 87,917	\$ 154,328	\$ 89	\$ 154,418	13.1%
KKR Global Infrastructure Investors II	\$ 150,000	10/24/2014	\$ 185,410	\$ 244,913	\$ 77,125	\$ 322,039	16.9%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 09/30/2023

Infrastructure

Fund Name	Commitment		Amount	Total	Current	Total Value (C+D)	Interim Net IRR
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Market Value (D)		
KKR Atlanta Co-Invest	\$ 24,000	9/26/2014	\$ 21,428	\$ 28,551	\$ -	\$ 28,551	5.7%
KKR Taurus Co-Invest II	\$ 25,000	8/15/2017	\$ 25,000	\$ 56,779	\$ 839	\$ 57,618	21.4%
KKR Byzantium Infrastructure Aggregator	\$ 15,000	10/17/2017	\$ 15,000	\$ 7,013	\$ 11,169	\$ 18,182	4.7%
KKR Global Infrastructure Investors III	\$ 100,000	3/29/2018	\$ 91,642	\$ 25,857	\$ 91,705	\$ 117,562	10.6%
Meridiam Infrastructure (SCA)	\$ 11,000	9/23/2015	\$ 21,938	\$ 11,716	\$ 25,330	\$ 37,046	8.2%
Meridiam Infrastructure (SCA) B Shares	\$ 1,000	9/23/2015	\$ 305	\$ 55	\$ 23,240	\$ 23,295	77.0%
Meridiam Infrastructure Europe II (SCA)	\$ 22,500	9/23/2015	\$ 27,639	\$ 17,109	\$ 34,885	\$ 51,994	11.3%
Meridiam Infrastructure Europe III SLP	\$ 95,000	4/27/2016	\$ 71,670	\$ 17,268	\$ 62,150	\$ 79,418	3.4%
Meridiam Sustainable Infrastructure Europe IV	\$ 90,000	4/16/2021	\$ 21,748	\$ 1,057	\$ 18,285	\$ 19,342	NM
Meridiam Infrastructure N.A. II	\$ 75,000	9/28/2012	\$ 88,232	\$ 39,091	\$ 161,525	\$ 200,616	15.7%
MINA II CIP	\$ 175	6/30/2015	\$ 169	\$ 29	\$ 19,130	\$ 19,159	107.5%
Meridiam Infrastructure N.A. II	\$ 20,000	6/30/2015	\$ 18,870	\$ 6,394	\$ 41,382	\$ 47,776	21.1%
Meridiam Infrastructure N.A. III	\$ 50,000	7/12/2017	\$ 32,309	\$ 1	\$ 38,056	\$ 38,057	10.2%
Stonepeak Infrastructure Partners II	\$ 140,000	11/12/2015	\$ 189,328	\$ 232,691	\$ 40,437	\$ 273,127	13.3%
Stonepeak Claremont Co-Invest	\$ 25,000	5/30/2017	\$ 25,000	\$ 51,959	\$ -	\$ 51,959	17.8%
Stonepeak Spear (Co-Invest) Holdings	\$ 25,000	1/8/2018	\$ 19,648	\$ 3,472	\$ 35,365	\$ 38,838	13.3%
Stonepeak Infrastructure Partners III	\$ 150,000	10/13/2017	\$ 164,779	\$ 57,735	\$ 186,079	\$ 243,814	14.5%
Stonepeak Guardian (Co-Invest) Holdings	\$ 10,000	4/27/2023	\$ 10,000	\$ 0	\$ 10,958	\$ 10,958	NM
Stonepeak Infrastructure Partners IV	\$ 125,000	5/8/2020	\$ 67,441	\$ 10,441	\$ 64,137	\$ 74,578	8.2%
Stonepeak Core Infrastructure Fund	\$ 100,000	8/5/2022	\$ 100,238	\$ 238	\$ 103,823	\$ 104,061	NM
Stonepeak Opportunities Fund	\$ 50,000	6/12/2023	\$ 7,370	\$ -	\$ 6,666	\$ 6,666	NM

MainePERS Private Market Investments Summary: 09/30/2023

Natural Resources

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
ACM Permanent Crops	\$ 35,000	10/24/2014	\$ 39,100	\$ 12,107	\$ 56,755	\$ 68,862	8.7%
ACM Permanent Crops II	\$ 35,000	5/12/2016	\$ 42,415	\$ 8,885	\$ 20,299	\$ 29,184	-10.2%
AMERRA Agri Fund III	\$ 50,000	2/11/2016	\$ 98,715	\$ 83,164	\$ 20,437	\$ 103,601	1.9%
Denham Mining Fund	\$ 35,000	6/29/2018	\$ 31,349	\$ 659	\$ 37,447	\$ 38,106	6.5%
Homestead Capital Farmland II	\$ 50,000	8/8/2016	\$ 55,737	\$ 11,016	\$ 57,389	\$ 68,405	5.2%
Homestead Capital Farmland III	\$ 30,000	10/26/2018	\$ 30,403	\$ 2,654	\$ 31,159	\$ 33,814	6.6%
Orion Mine Finance Fund II	\$ 50,000	5/25/2016	\$ 101,839	\$ 77,793	\$ 46,593	\$ 124,386	8.5%
Orion Mine Finance Co-Fund II	\$ 20,000	8/13/2018	\$ 20,125	\$ -	\$ 32,449	\$ 32,449	10.2%
Silver Creek Aggregate Reserves Fund	\$ 100,000	11/6/2018	\$ 15,385	\$ 2,763	\$ 17,399	\$ 20,163	NM
Sprott Private Resource Lending Fund III	\$ 30,000	8/31/2022	\$ 2,436	\$ 539	\$ 1,689	\$ 2,228	NM
Sprott Private Resource Streaming and Royalty Annex	\$ 40,000	5/17/2023	\$ 18,345	\$ 477	\$ 18,735	\$ 19,212	NM
Taurus Mining Fund	\$ 50,000	3/27/2015	\$ 41,459	\$ 46,409	\$ 3,632	\$ 50,041	7.4%
Taurus Mining Fund Annex	\$ 23,000	12/1/2016	\$ 18,375	\$ 23,435	\$ 853	\$ 24,288	17.7%
Taurus Mining Fund No. 2	\$ 75,000	4/18/2019	\$ 64,374	\$ 45,393	\$ 31,979	\$ 77,372	17.2%
Teays River Integrated Agriculture	\$ 200,000	7/1/2015	\$ 198,974	\$ 28,770	\$ 315,264	\$ 344,034	7.4%
Twin Creeks Timber	\$ 200,000	1/7/2016	\$ 199,803	\$ 95,629	\$ 128,768	\$ 224,398	2.9%
U.S. Farming Realty Trust III	\$ 100,000	7/7/2015	\$ 110,017	\$ 11,565	\$ 143,527	\$ 155,092	6.6%
Canally Coinvest Holdings	\$ 12,500	12/9/2019	\$ 12,537	\$ 37	\$ 17,420	\$ 17,457	14.8%

MainePERS Private Market Investments Summary: 09/30/2023

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
ABRY Advanced Securities Fund II	\$ 20,000	5/4/2011	\$ 20,539	\$ 29,678	\$ 264	\$ 29,942	13.0%
ABRY Advanced Securities Fund III	\$ 30,000	4/30/2014	\$ 45,102	\$ 28,005	\$ 17,784	\$ 45,789	0.4%
ABRY Heritage Partners	\$ 10,000	5/31/2016	\$ 10,887	\$ 12,264	\$ 7,442	\$ 19,706	26.4%
ABRY Partners VII	\$ 10,000	4/29/2011	\$ 12,939	\$ 17,340	\$ 2,177	\$ 19,517	12.1%
ABRY Partners VIII	\$ 20,000	8/8/2014	\$ 23,864	\$ 29,732	\$ 3,610	\$ 33,342	9.9%
ABRY Senior Equity IV	\$ 10,000	12/7/2012	\$ 10,845	\$ 16,881	\$ 1,106	\$ 17,987	14.6%
ABRY Senior Equity V	\$ 12,050	1/19/2017	\$ 13,029	\$ 5,898	\$ 12,934	\$ 18,832	13.7%
Advent International GPE VII	\$ 30,000	6/29/2012	\$ 34,811	\$ 53,835	\$ 4,227	\$ 58,062	13.3%
Advent International GPE VIII	\$ 50,000	2/5/2016	\$ 57,147	\$ 55,750	\$ 55,322	\$ 111,072	18.1%
Advent International GPE IX	\$ 50,000	5/9/2019	\$ 46,753	\$ 4,998	\$ 59,731	\$ 64,729	16.0%
GPE IX TKE Co-Investment	\$ 24,000	3/30/2020	\$ 21,243	\$ -	\$ 27,142	\$ 27,142	8.0%
Advent International GPE X	\$ 45,000	4/28/2022	\$ 13,500	\$ -	\$ 12,533	\$ 12,533	NM
AI Co-Investment I-A	\$ 7,500	3/2/2023	\$ 7,443	\$ -	\$ 7,423	\$ 7,423	NM
Advent Latin America PE Fund VI	\$ 20,000	10/17/2014	\$ 19,516	\$ 12,350	\$ 22,287	\$ 34,637	15.3%
Affinity Asia Pacific Fund IV	\$ 60,000	2/28/2013	\$ 64,997	\$ 74,730	\$ 32,021	\$ 106,751	15.0%
Affinity Asia Pacific Fund V	\$ 40,000	12/11/2017	\$ 23,158	\$ 4,884	\$ 22,250	\$ 27,134	7.3%
Bain Capital Ventures 2021	\$ 25,000	10/28/2020	\$ 19,250	\$ 1	\$ 20,026	\$ 20,026	2.3%
Bain Capital Ventures 2022	\$ 25,000	6/10/2022	\$ 2,375	\$ 0	\$ 1,922	\$ 1,922	NM
Bain Capital Venture Coinvestment Fund III	\$ 15,000	4/1/2021	\$ 15,000	\$ 825	\$ 15,035	\$ 15,860	3.6%
Bain Capital Venture Coinvestment Fund IV	\$ 15,000	6/10/2022	\$ 450	\$ -	\$ 427	\$ 427	NM
Berkshire Fund VIII	\$ 15,000	7/20/2011	\$ 16,846	\$ 27,586	\$ 9,354	\$ 36,940	16.7%
Berkshire Fund IX	\$ 50,000	3/18/2016	\$ 56,849	\$ 36,889	\$ 55,700	\$ 92,589	16.0%
Blackstone Capital Partners VI	\$ 30,000	6/30/2010	\$ 38,018	\$ 53,961	\$ 10,063	\$ 64,024	12.4%
Blackstone Capital Partners VII	\$ 54,000	3/27/2015	\$ 61,598	\$ 41,319	\$ 52,839	\$ 94,158	13.0%
Carlyle Asia Partners III	\$ 15,000	12/31/2009	\$ 20,752	\$ 31,105	\$ 179	\$ 31,284	12.6%
Carlyle Asia Partners IV	\$ 60,000	6/3/2014	\$ 81,617	\$ 101,354	\$ 29,312	\$ 130,666	12.9%
Carlyle Asia Partners V	\$ 45,000	10/30/2017	\$ 40,050	\$ 10,769	\$ 34,637	\$ 45,406	7.7%
Centerbridge Capital Partners III	\$ 30,000	10/24/2014	\$ 47,767	\$ 45,744	\$ 29,209	\$ 74,953	17.6%
CB Blizzard Co-Invest	\$ 15,684	9/11/2019	\$ 15,684	\$ 10,053	\$ 2,527	\$ 12,581	-17.6%
Charterhouse Capital Partners VIII	\$ 13,500	1/6/2011	\$ 11,188	\$ 14,160	\$ -	\$ 14,160	7.9%
Charterhouse Capital Partners IX	\$ 4,500	1/6/2011	\$ 5,410	\$ 7,275	\$ 31	\$ 7,305	12.0%

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 09/30/2023

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
Charterhouse Capital Partners X	\$ 67,000	5/13/2015	\$ 59,406	\$ 76,351	\$ 30,130	\$ 106,480	20.0%
Charterhouse Acrostone	\$ 12,000	8/24/2018	\$ 13,254	\$ 21,268	\$ -	\$ 21,268	16.9%
Charterhouse Capital Partners XI	\$ 45,000	4/23/2021	\$ 18,245	\$ 1,329	\$ 18,481	\$ 19,810	NM
CVC Capital Partners VI	\$ 67,000	7/12/2013	\$ 101,240	\$ 122,151	\$ 54,851	\$ 177,002	16.3%
CVC Capital Partners VII	\$ 48,000	5/9/2017	\$ 73,161	\$ 43,350	\$ 65,829	\$ 109,180	21.1%
CVC Capital Partners VIII	\$ 44,000	6/11/2020	\$ 50,894	\$ 26,205	\$ 26,817	\$ 53,022	6.7%
CVC Capital Partners IX	\$ 44,000	6/29/2023	\$ -	\$ -	\$ -	\$ -	NM
EnCap Energy Capital VIII	\$ 30,000	1/31/2011	\$ 34,188	\$ 23,562	\$ 11,809	\$ 35,371	0.7%
EnCap Energy Capital Fund VIII Co-Investors	\$ 16,238	12/8/2011	\$ 16,506	\$ 5,997	\$ 6,501	\$ 12,497	-3.8%
EnCap Energy Capital Fund IX	\$ 30,000	12/19/2012	\$ 34,541	\$ 41,151	\$ 10,938	\$ 52,089	11.0%
EnCap Energy Capital Fund X	\$ 40,000	3/5/2015	\$ 42,225	\$ 55,847	\$ 24,498	\$ 80,344	15.8%
EnCap Energy Capital Fund XI	\$ 40,000	5/31/2017	\$ 40,630	\$ 21,939	\$ 42,792	\$ 64,731	21.1%
EnCap Flatrock Midstream Fund III	\$ 20,000	4/9/2014	\$ 25,255	\$ 22,642	\$ 11,971	\$ 34,613	10.2%
EnCap Flatrock Midstream Fund IV	\$ 22,000	11/17/2017	\$ 19,746	\$ 10,710	\$ 12,580	\$ 23,291	7.7%
General Catalyst X - Early Venture	\$ 19,565	3/26/2020	\$ 18,880	\$ -	\$ 32,443	\$ 32,443	23.6%
General Catalyst X - Endurance	\$ 22,826	3/26/2020	\$ 22,859	\$ -	\$ 21,601	\$ 21,601	-2.1%
General Catalyst X - Growth Venture	\$ 32,609	3/26/2020	\$ 32,120	\$ -	\$ 35,198	\$ 35,198	3.6%
General Catalyst XI - Creation	\$ 8,823	10/29/2021	\$ 4,169	\$ -	\$ 4,275	\$ 4,275	NM
General Catalyst XI - Endurance	\$ 29,412	10/29/2021	\$ 23,367	\$ -	\$ 22,520	\$ 22,520	NM
General Catalyst XI - Ignition	\$ 11,765	10/29/2021	\$ 7,723	\$ -	\$ 7,384	\$ 7,384	NM
GTCR Fund X	\$ 30,000	1/28/2011	\$ 31,766	\$ 64,646	\$ -	\$ 64,646	21.4%
GTCR Fund XI	\$ 35,000	11/15/2013	\$ 34,961	\$ 76,701	\$ 35,411	\$ 112,112	32.7%
GTCR Fund XII	\$ 50,000	9/29/2017	\$ 51,713	\$ 31,746	\$ 57,242	\$ 88,988	24.0%
Co-Investment #1	\$ 5,238	4/26/2019	\$ 4,556	\$ -	\$ 9,649	\$ 9,649	18.6%
Co-Investment #2	\$ 5,997	11/1/2019	\$ 5,911	\$ 10,962	\$ 2,618	\$ 13,580	45.1%
GTCR XIII	\$ 50,000	10/27/2020	\$ 25,978	\$ 5,447	\$ 25,906	\$ 31,353	17.4%
GTCR XIV	\$ 50,000	12/16/2022	\$ -	\$ -	\$ -	\$ -	NM
H.I.G. Bayside Loan Fund II	\$ 25,000	5/28/2010	\$ 24,020	\$ 32,189	\$ 270	\$ 32,459	7.1%
H.I.G. Bayside Loan Ops Fund III (Europe)	\$ 30,000	7/27/2012	\$ 26,707	\$ 31,070	\$ 3,412	\$ 34,483	7.2%
H.I.G. Brazil & Latin America Partners	\$ 60,000	7/1/2015	\$ 69,040	\$ 26,649	\$ 73,744	\$ 100,394	12.2%
H.I.G. Capital Partners V	\$ 15,000	2/28/2013	\$ 21,070	\$ 31,337	\$ 9,358	\$ 40,694	23.1%

MainePERS Private Market Investments Summary: 09/30/2023

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
H.I.G. Europe Capital Partners II	\$ 22,500	7/1/2013	\$ 25,240	\$ 20,667	\$ 14,907	\$ 35,574	11.1%
H.I.G. Growth Buyouts & Equity Fund II	\$ 17,500	6/30/2011	\$ 23,683	\$ 27,565	\$ 13,320	\$ 40,884	13.9%
H.I.G. Growth Buyouts & Equity Fund III	\$ 35,000	9/13/2018	\$ 16,492	\$ 2,134	\$ 15,163	\$ 17,297	NM
H.I.G Middle Market LBO Fund II	\$ 40,000	2/7/2014	\$ 48,874	\$ 68,526	\$ 21,462	\$ 89,988	26.4%
Co-Investment #1	\$ 9,000	10/12/2017	\$ 9,000	\$ -	\$ (32)	\$ (32)	-100.0%
Co-Investment #2	\$ 686	6/19/2020	\$ 686	\$ -	\$ 954	\$ 954	10.6%
Co-Investment #3	\$ 1,000	6/1/2021	\$ 1,079	\$ -	\$ 11	\$ 11	-86.3%
H.I.G. Middle Market LBO Fund III	\$ 40,000	7/23/2019	\$ 34,813	\$ 2,021	\$ 40,691	\$ 42,712	15.1%
Hellman & Friedman Capital Partners VII	\$ 30,000	6/19/2009	\$ 44,355	\$ 105,844	\$ 7,039	\$ 112,884	24.7%
Hellman & Friedman Capital Partners VIII	\$ 45,000	9/24/2014	\$ 48,803	\$ 26,913	\$ 56,080	\$ 82,993	13.2%
Hellman & Friedman Capital Partners IX	\$ 45,000	9/28/2018	\$ 46,070	\$ 3,147	\$ 61,227	\$ 64,374	13.7%
Hellman & Friedman Capital Partners X	\$ 45,000	5/10/2021	\$ 32,383	\$ -	\$ 35,713	\$ 35,713	6.8%
Inflexion Buyout Fund IV	\$ 27,000	9/30/2014	\$ 34,338	\$ 40,916	\$ 19,281	\$ 60,197	15.1%
Inflexion Partnership Capital Fund I	\$ 17,000	9/30/2014	\$ 26,034	\$ 40,815	\$ 6,415	\$ 47,230	22.1%
Inflexion Supplemental Fund IV	\$ 10,000	5/31/2016	\$ 15,169	\$ 22,276	\$ 7,103	\$ 29,379	23.7%
Kelso Investment Associates VIII	\$ 3,000	1/6/2011	\$ 3,022	\$ 4,263	\$ 76	\$ 4,338	7.9%
Kelso Investment Associates IX	\$ 60,000	11/5/2014	\$ 70,283	\$ 87,690	\$ 33,992	\$ 121,682	19.6%
KIA IX (Hammer) Investor	\$ 25,000	8/12/2016	\$ 25,426	\$ 69,298	\$ 309	\$ 69,606	21.4%
Kelso Investment Associates X	\$ 45,000	3/16/2018	\$ 48,272	\$ 15,611	\$ 71,809	\$ 87,420	30.3%
Kelso Investment Associates XI	\$ 45,000	12/22/2021	\$ 10,476	\$ 961	\$ 12,426	\$ 13,386	NM
Kelso XI Heights Co-Investment	\$ 12,000	8/19/2022	\$ 10,013	\$ -	\$ 10,841	\$ 10,841	NM
KKR North American Fund XI	\$ 60,000	2/7/2012	\$ 100,517	\$ 166,162	\$ 21,794	\$ 187,956	19.2%
KKR North America Fund XI (Platinum)	\$ 8,003	2/26/2016	\$ 8,040	\$ 2,313	\$ 5,393	\$ 7,706	-0.8%
KKR Element Co-Invest	\$ 10,000	8/29/2016	\$ 10,050	\$ 24,030	\$ -	\$ 24,030	23.5%
KKR Americas XII	\$ 60,000	3/3/2016	\$ 63,524	\$ 39,251	\$ 72,512	\$ 111,763	19.8%
KKR Sigma Aggregator	\$ 15,000	6/22/2018	\$ 15,000	\$ -	\$ 23,753	\$ 23,753	9.1%
KKR Enterprise Co-Invest	\$ 15,000	10/11/2018	\$ 15,000	\$ -	\$ -	\$ -	-100.0%
KKR Enterprise Co-Invest AIV A	\$ 8,936	11/8/2019	\$ 8,936	\$ 7,243	\$ 1,017	\$ 8,261	-8.7%
KKR North America XIII	\$ 40,000	6/25/2021	\$ 17,771	\$ -	\$ 18,603	\$ 18,603	NM
KKR Special Situations Fund	\$ 60,000	12/19/2012	\$ 118,957	\$ 100,114	\$ 10,624	\$ 110,738	-2.5%
KKR Special Situations Fund II	\$ 60,000	12/19/2014	\$ 98,284	\$ 78,212	\$ 23,161	\$ 101,373	1.2%

MainePERS Private Market Investments Summary: 09/30/2023

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value (C+D)	Interim Net IRR
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)		
Long Ridge Equity Partners IV	\$ 15,000	6/26/2023	\$ -	\$ -	\$ -	\$ -	NM
Metwest Enhanced TALF Strategy Fund L. P.	\$ 75,000	7/31/2009	\$ 53,350	\$ 67,405	\$ -	\$ 67,405	10.2%
Oaktree Opportunities VIII	\$ 30,000	12/9/2009	\$ 30,000	\$ 43,920	\$ 88	\$ 44,008	9.1%
ONCAP IV	\$ 15,000	11/8/2016	\$ 15,962	\$ 5,321	\$ 18,911	\$ 24,232	13.7%
Onex Partners III	\$ 10,000	1/6/2011	\$ 11,202	\$ 17,038	\$ 1,787	\$ 18,824	13.1%
Onex Partners IV	\$ 60,000	11/22/2013	\$ 62,871	\$ 50,953	\$ 39,595	\$ 90,549	8.0%
Co-Investment #1	\$ 10,000	2/27/2017	\$ 10,471	\$ 1,235	\$ 5,573	\$ 6,808	-7.4%
Onex Partners V	\$ 45,000	7/11/2017	\$ 39,000	\$ 5,911	\$ 45,330	\$ 51,241	13.5%
Paine & Partners Capital Fund IV	\$ 60,000	12/18/2014	\$ 56,684	\$ 29,070	\$ 48,981	\$ 78,051	7.5%
Wawona Co-Investment Fund I	\$ 15,000	3/31/2017	\$ 15,023	\$ -	\$ 3	\$ 3	-86.0%
Lyons Magnus Co-Investment Fund I	\$ 15,000	11/8/2017	\$ 15,016	\$ -	\$ 25,164	\$ 25,164	9.2%
PSP Maverick Co-Invest	\$ 7,238	9/12/2019	\$ 7,264	\$ -	\$ 516	\$ 516	-48.2%
PSP AH&N Co-Investment Fund	\$ 19,724	11/27/2019	\$ 17,539	\$ -	\$ 32,418	\$ 32,418	18.4%
Paine Schwartz Food Chain Fund V	\$ 45,000	8/3/2018	\$ 46,537	\$ 23,888	\$ 39,404	\$ 63,292	21.3%
SNFL Co-Investment Fund	\$ 5,000	10/11/2019	\$ 5,024	\$ 5,524	\$ 4,453	\$ 9,977	19.5%
Rhone Partners V	\$ 56,000	3/12/2015	\$ 75,954	\$ 65,200	\$ 63,592	\$ 128,792	16.4%
Riverside Capital Appreciation Fund VI	\$ 60,000	7/3/2013	\$ 63,008	\$ 79,860	\$ 20,009	\$ 99,868	12.0%
RCAF VI CIV XXXII	\$ 12,399	10/21/2015	\$ 12,687	\$ 35,268	\$ -	\$ 35,268	19.9%
Riverside Micro-Cap Fund III	\$ 35,000	6/30/2014	\$ 51,608	\$ 194,767	\$ 40,653	\$ 235,420	36.1%
Riverside Micro-Cap Fund IV	\$ 60,000	10/23/2015	\$ 55,659	\$ 5,112	\$ 81,689	\$ 86,801	8.0%
Riverside Micro-Cap Fund IV-B	\$ 20,000	8/9/2019	\$ 24,292	\$ 5,583	\$ 37,395	\$ 42,978	23.5%
Riverside Micro-Cap Fund V	\$ 40,000	8/21/2018	\$ 33,628	\$ 2,513	\$ 48,665	\$ 51,178	16.8%
Riverside Micro-Cap Fund VI	\$ 45,000	8/26/2021	\$ 13,878	\$ 263	\$ 13,967	\$ 14,230	NM
Shoreview Capital Partners III	\$ 24,000	7/24/2013	\$ 25,657	\$ 28,779	\$ 24,865	\$ 53,644	18.0%
Shoreview Capital Partners IV	\$ 30,000	6/3/2019	\$ 17,031	\$ 5,989	\$ 18,483	\$ 24,472	39.0%
Sovereign Capital IV	\$ 46,500	7/7/2014	\$ 40,344	\$ 26,905	\$ 32,417	\$ 59,323	10.0%
Summit Partners Credit II	\$ 60,000	10/25/2013	\$ 90,831	\$ 87,991	\$ 17,753	\$ 105,744	5.7%
Summit Europe Growth Equity III	\$ 22,000	3/18/2020	\$ 18,184	\$ -	\$ 19,372	\$ 19,372	4.7%
Summit Europe Growth Equity IV	\$ 22,000	2/10/2023	\$ -	\$ -	\$ -	\$ -	NM
Summit Growth Equity VIII	\$ 25,000	5/27/2011	\$ 33,445	\$ 63,535	\$ 11,922	\$ 75,456	26.1%
Co-Investment #1	\$ 16,000	6/3/2015	\$ 16,000	\$ 38,735	\$ 18,893	\$ 57,628	31.4%

MainePERS Private Market Investments Summary: 09/30/2023

Private Equity

Fund Name	Commitment		Amount	Total	Current Market	Total Value	Interim Net
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	(C+D)	IRR
Summit Growth Equity IX	\$ 60,000	8/26/2015	\$ 83,969	\$ 91,405	\$ 80,841	\$ 172,246	29.0%
Co-Investment #1	\$ 15,000	11/29/2016	\$ 14,895	\$ 41,743	\$ -	\$ 41,743	159.6%
Summit Partners Co-Invest (Ironman)	\$ 15,530	4/20/2018	\$ 15,534	\$ -	\$ 15,508	\$ 15,508	0.0%
Summit Partners Co-Invest (Giants-B)	\$ 15,000	10/22/2019	\$ 15,000	\$ 41,780	\$ 5,448	\$ 47,228	80.8%
Summit Growth Equity X	\$ 60,000	2/26/2019	\$ 61,418	\$ 18,176	\$ 64,422	\$ 82,598	17.7%
Summit Partners Co-Invest (Lions)	\$ 7,534	10/14/2020	\$ 7,534	\$ 119	\$ 14,420	\$ 14,539	26.0%
Summit Partners Co-Invest (Indigo)	\$ 10,000	12/11/2020	\$ 11,436	\$ -	\$ 11,424	\$ 11,424	0.0%
Summit Growth Equity XI	\$ 45,000	10/1/2021	\$ 11,487	\$ -	\$ 12,406	\$ 12,406	NM
Summit Venture Capital III	\$ 13,150	5/27/2011	\$ 18,044	\$ 32,899	\$ 2,902	\$ 35,801	17.5%
Summit Venture Capital IV	\$ 40,000	8/26/2015	\$ 51,043	\$ 48,377	\$ 58,620	\$ 106,997	36.1%
Summit Venture Capital V	\$ 45,000	6/16/2020	\$ 26,101	\$ 2,771	\$ 23,660	\$ 26,431	0.9%
Summit Partners Co-Invest (CS)	\$ 13,753	10/22/2021	\$ 13,798	\$ -	\$ 11,709	\$ 11,709	NM
Technology Crossover Ventures VIII	\$ 60,000	5/8/2013	\$ 55,596	\$ 48,062	\$ 65,431	\$ 113,493	11.4%
Technology Crossover Ventures IX	\$ 60,000	2/19/2016	\$ 48,427	\$ 49,773	\$ 50,846	\$ 100,619	19.9%
TCV Sports	\$ 8,000	9/25/2018	\$ 8,000	\$ -	\$ 8,726	\$ 8,726	1.8%
Technology Crossover Ventures X	\$ 45,000	8/31/2018	\$ 36,448	\$ 10,890	\$ 58,754	\$ 69,644	22.0%
Technology Crossover Ventures XI	\$ 45,000	10/2/2020	\$ 27,647	\$ -	\$ 24,136	\$ 24,136	-8.3%
Technology Impact Fund	\$ 40,000	12/18/2017	\$ 37,554	\$ 23,745	\$ 89,536	\$ 113,281	45.0%
Technology Impact Fund II	\$ 40,000	4/13/2021	\$ 12,686	\$ 325	\$ 12,708	\$ 13,033	NM
Technology Impact Growth Fund	\$ 40,000	11/26/2018	\$ 49,485	\$ 26,676	\$ 29,786	\$ 56,462	6.3%
Technology Impact Growth Fund II	\$ 40,000	8/6/2021	\$ 15,968	\$ -	\$ 14,173	\$ 14,173	NM
TIGF II Direct Strategies LLC - Series 3	\$ 5,000	7/14/2023	\$ 5,000	\$ -	\$ 4,992	\$ 4,992	NM
Thoma Bravo Fund XI	\$ 50,000	5/1/2014	\$ 74,040	\$ 145,149	\$ 56,338	\$ 201,487	26.6%
Thoma Bravo Fund XII	\$ 60,000	4/27/2016	\$ 78,447	\$ 80,943	\$ 67,033	\$ 147,977	16.3%
Thoma Bravo Fund XIII	\$ 45,000	12/7/2018	\$ 59,671	\$ 31,856	\$ 74,544	\$ 106,400	28.6%
Thoma Bravo Special Opportunities Fund II	\$ 15,000	3/27/2015	\$ 18,113	\$ 21,091	\$ 16,223	\$ 37,313	16.1%
Thoma Bravo Discover Fund IV	\$ 45,000	7/1/2022	\$ 18,829	\$ -	\$ 20,228	\$ 20,228	NM
Tillridge Global Agribusiness Partners II	\$ 50,000	10/21/2016	\$ 28,819	\$ 2,900	\$ 23,895	\$ 26,795	-2.3%
Water Street Healthcare Partners III	\$ 25,000	7/25/2012	\$ 30,292	\$ 78,671	\$ 10,106	\$ 88,776	35.5%
Water Street Healthcare Partners IV	\$ 33,000	9/15/2017	\$ 35,377	\$ 10,624	\$ 47,237	\$ 57,860	19.1%
Water Street Healthcare Partners V	\$ 43,000	4/15/2022	\$ 5,719	\$ -	\$ 4,679	\$ 4,679	NM

(all dollar amounts in thousands)

MainePERS Private Market Investments Summary: 09/30/2023

Private Equity

Fund Name	Commitment		Amount	Total	Current Market		Interim Net IRR
	(A)	Date of Commitment	Contributed (B)	Distributions (C)	Value (D)	Total Value (C+D)	
Wayzata Opportunities Fund III	\$ 30,000	9/11/2012	\$ 14,718	\$ 11,686	\$ 3,176	\$ 14,862	0.2%
Wynnchurch Capital Partners IV	\$ 40,000	10/23/2014	\$ 38,351	\$ 44,971	\$ 56,904	\$ 101,875	26.8%
Wynnchurch Capital Partners V	\$ 40,000	1/15/2020	\$ 28,231	\$ 538	\$ 34,155	\$ 34,693	13.7%

MainePERS Private Market Investments Summary: 09/30/2023

Real Estate

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
Angelo Gordon Net Lease IV	\$ 50,000	2/17/2020	\$ 45,941	\$ 3,521	\$ 47,679	\$ 51,200	6.1%
Angelo Gordon Realty Fund XI	\$ 50,000	3/31/2022	\$ 7,500	\$ -	\$ 7,216	\$ 7,216	NM
Bain Capital Real Estate II	\$ 50,000	3/5/2021	\$ 27,080	\$ 2,365	\$ 27,366	\$ 29,731	8.1%
Blackrock Granite Property Fund	\$ 63,791	9/30/2006	\$ 68,771	\$ 53,312	\$ -	\$ 53,312	-4.9%
Blackstone Property Partners	\$ 350,000	6/29/2017	\$ 350,000	\$ 43,714	\$ 407,343	\$ 451,057	5.4%
Blackstone Real Estate Partners VII	\$ 75,000	2/26/2012	\$ 104,422	\$ 156,076	\$ 11,931	\$ 168,007	14.7%
Blackstone Real Estate Partners VIII	\$ 50,000	3/27/2015	\$ 63,972	\$ 65,315	\$ 36,984	\$ 102,299	15.1%
Blackstone Real Estate Partners IX	\$ 40,000	12/21/2018	\$ 44,994	\$ 16,201	\$ 46,648	\$ 62,849	20.4%
Barings Asia Real Estate II	\$ 50,000	7/31/2018	\$ 27,008	\$ 2,506	\$ 22,686	\$ 25,192	-3.1%
EQT Real Estate II	\$ 55,000	4/26/2019	\$ 32,356	\$ 5,268	\$ 29,615	\$ 34,883	4.2%
EQT Real Estate Rock Co-Investment	\$ 11,000	8/10/2020	\$ 9,281	\$ -	\$ 10,832	\$ 10,832	6.5%
H/2 Credit Partners, L.P.	\$ 75,000	6/21/2011	\$ 75,000	\$ 112,177	\$ -	\$ 112,177	5.9%
Harrison Street Core Property Fund, L.P.	\$ 75,000	4/30/2012	\$ 95,998	\$ 54,063	\$ 128,923	\$ 182,985	8.1%
HSRE-Coyote Maine PERS Core Co-Investment	\$ 20,000	12/4/2020	\$ 14,201	\$ 1,769	\$ 12,431	\$ 14,200	0.0%
High Street Real Estate Fund IV, L.P.	\$ 25,000	8/23/2013	\$ 24,717	\$ 34,157	\$ -	\$ 34,157	14.7%
High Street Real Estate Fund V	\$ 25,000	7/24/2015	\$ 24,925	\$ 36,176	\$ -	\$ 36,176	13.2%
High Street Real Estate Fund VI	\$ 25,000	3/22/2019	\$ 25,000	\$ 5,855	\$ 37,641	\$ 43,496	22.1%
HSREF VI Elgin Co-Invest	\$ 10,000	4/9/2021	\$ 10,000	\$ 1,575	\$ 13,748	\$ 15,323	20.4%
High Street Real Estate Fund VII	\$ 35,000	8/16/2021	\$ 35,000	\$ -	\$ 39,360	\$ 39,360	11.1%
High Street Real Estate VII Venture	\$ 15,000	3/17/2023	\$ 15,000	\$ -	\$ 14,880	\$ 14,880	NM
Hines US Property Partners	\$ 200,000	9/9/2021	\$ 114,643	\$ 12,421	\$ 99,343	\$ 111,764	-2.2%
Invesco Real Estate Asia IV	\$ 30,000	3/25/2020	\$ 23,831	\$ 16,983	\$ 8,876	\$ 25,858	10.4%
Invesco US Income Fund	\$ 195,000	7/17/2014	\$ 230,599	\$ 71,876	\$ 316,345	\$ 388,221	10.1%
IPI Data Center Partners I	\$ 30,000	12/15/2017	\$ 34,788	\$ 19,556	\$ 33,524	\$ 53,080	15.1%
IPI Data Center Partners II	\$ 25,000	12/20/2019	\$ 23,346	\$ 1,619	\$ 24,037	\$ 25,656	8.7%
JPMCB Strategic Property Fund	\$ 130,000	11/15/2005	\$ 186,941	\$ 297,519	\$ -	\$ 297,519	5.8%
KKR Real Estate Partners Europe I	\$ 50,000	12/2/2015	\$ 53,582	\$ 54,632	\$ 15,149	\$ 69,781	9.7%
KKR Real Estate Partners Europe II	\$ 25,000	12/23/2019	\$ 19,932	\$ 6,137	\$ 14,167	\$ 20,304	1.4%
KKR Real Estate Partners Americas I	\$ 50,000	12/20/2013	\$ 50,037	\$ 59,408	\$ 2,307	\$ 61,714	10.9%
KKR Real Estate Partners Americas II	\$ 50,000	6/2/2016	\$ 60,978	\$ 71,922	\$ 11,654	\$ 83,576	19.8%
Northbridge-Strategic Fund II	\$ 30,000	2/8/2019	\$ 30,000	\$ 4,591	\$ 45,317	\$ 49,908	12.2%
Prima Mortgage Investment Trust, LLC	\$ 75,000	7/29/2011	\$ 97,490	\$ 131,918	\$ -	\$ 131,918	3.8%
Principal Life Insurance Company U.S. Property	\$ 60,000	5/20/2005	\$ 60,000	\$ 125,410	\$ -	\$ 125,410	6.2%

MainePERS Private Market Investments Summary: 09/30/2023

Real Estate

Fund Name	Commitment (A)	Date of Commitment	Amount Contributed (B)	Total Distributions (C)	Current Market Value (D)	Total Value (C+D)	Interim Net IRR
PRISA	\$ 90,000	6/30/2005	\$ 139,622	\$ 222,450	\$ -	\$ 222,450	5.3%
Rubenstein Properties Fund III	\$ 30,000	10/23/2015	\$ 30,606	\$ 627	\$ 14,428	\$ 15,056	-14.3%
LCC Co-Investor B	\$ 15,000	10/18/2019	\$ 15,000	\$ -	\$ 4,487	\$ 4,487	-29.9%
Rubenstein Properties Fund IV	\$ 25,000	4/16/2019	\$ 8,286	\$ 56	\$ 2,639	\$ 2,695	NM
Prudential Senior Housing Fund V	\$ 50,000	3/17/2015	\$ 41,333	\$ 5,453	\$ 44,937	\$ 50,390	3.6%
Smart Markets Fund, L.P.	\$ 195,000	6/17/2013	\$ 224,993	\$ 72,135	\$ 300,452	\$ 372,586	8.6%
Stonelake Opportunity Partners VII	\$ 40,000	6/30/2022	\$ 0	\$ -	\$ (1,406)	\$ (1,406)	NM
Walton Street Real Estate Fund VII	\$ 50,000	5/9/2012	\$ 43,990	\$ 50,664	\$ 9,242	\$ 59,906	8.8%
Walton Street Real Estate Fund VIII	\$ 50,000	10/23/2015	\$ 42,789	\$ 35,597	\$ 22,594	\$ 58,191	9.4%
Co-Investment #1	\$ 10,000	9/27/2017	\$ 10,293	\$ 4,160	\$ -	\$ 4,160	-60.0%
Westbrook Real Estate Fund IX	\$ 15,000	6/30/2014	\$ 17,427	\$ 17,500	\$ 2,493	\$ 19,993	5.1%
Westbrook Real Estate Fund X	\$ 50,000	1/15/2015	\$ 48,746	\$ 42,649	\$ 15,233	\$ 57,882	7.5%
Westbrook Real Estate Fund XI	\$ 40,000	1/31/2019	\$ 30,960	\$ 11,223	\$ 24,011	\$ 35,234	16.1%

MainePERS Private Market Investments Summary: 09/30/2023

Notes: NM = Not Meaningful. MainePERS only reports IRRs for funds with more than 24 months of history and for which Amount Contributed is greater than 50% of Commitments. "Date of Commitment" is not the date of first capital draw. The "IRR" presented uses interim estimates and may not be indicative of ultimate performance of partnership investments due to a number of factors including lags in valuation, maturity of fund, and differences in investment pace and strategy of various funds. Performance figures should not be used to compare returns among multiple funds or different limited partners. Private market investments are long-term investments which are expected to generate returns over the course of their entire life cycle of 10 or more years. Common industry practice dictates that any performance analysis on these funds while they are still in the early years of their investment cycle would not generate meaningful results. The Interim Net IRR figures presented in this table are based on cash flow information provided by the general partner. The above information was not prepared, reviewed, or approved by any of the partnerships, general partners, or their affiliates and may differ from those generated by the general partner or other limited partners due to differences in timing of investments, disposal of in-kind distributions, and accounting and valuation policies.

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS
FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER
SUBJECT: CUSTODIAL SERVICES REVIEW
DATE: MARCH 6, 2024

MainePERS engaged JP Morgan Chase to serve as the System's custodian in 2011, and opted to continue this engagement following an in-depth performance evaluation conducted in 2016-17. Board Policy 2.1 requires the Investment Team to evaluate the performance and contract terms of the System's service providers at least every five years, and to make a recommendation to the Board as to whether or not to initiate a search process for a new provider.

The Investment Team began this required evaluation during 2023. This memo describes the process used to conduct this evaluation and contains the Investment Team's recommendation that the System retain JP Morgan Chase in its role as System custodian.

POLICY REFERENCE

[Board Policy 2.1 – Investment Policy Statement](#)

CUSTODIAN REVIEW PROCESS

The review of the System's custodial services was performed by three members of the Investment Team:

- James Bennett, CIO
- Seth Keller, Asset Class Head
- Justin Hodgkins, Senior Analyst – Investment Operations

The review team began by identifying three prospective providers of custody services, each of which provide services to large institutional investors. A Request For Information (RFI) was sent to each of these three firms, as well as the incumbent provider, in November 2023. This RFI requested detailed pricing for all relevant custodial services as well as a review of service capabilities, including cash movements, performance reporting, and sophistication of technology tools. The evaluation also included a strong focus on private markets capabilities.

All four firms provided responses to the RFI by the December deadline. Following receipt of these RFIs, a series of virtual and in-person meetings were held with each firm, including the incumbent. The initial meeting was typically two hours long and geared toward developing familiarity – allowing the firm to develop an understanding of MainePERS’ investment approach and services sought, as well as providing each firm an opportunity to present an overview of its capabilities. Subsequent meetings were scheduled to provide firms an opportunity to present their full teams and capabilities in more detail, and to address follow-up questions brought by the Investment Team. These follow-on meetings typically included systems demonstrations (with a focus on private market capabilities) and in-depth conversations concerning pricing.

At the conclusion of this process, the review team unanimously agreed to recommend to Trustees that JP Morgan Chase be retained as the System’s custodian. This recommendation is based on a careful review of the services provided and the pricing of these services.

RECOMMENDATION

That MainePERS continue to retain JP Morgan Chase as custodian.

MAINEPERS

BOARD OF TRUSTEES INVESTMENTS MEMORANDUM

TO: BOARD MEMBERS
FROM: JAMES BENNETT, CHIEF INVESTMENT OFFICER
SUBJECT: TRUSTEE EDUCATION: GOAL SETTING AND ASSET ALLOCATION
DATE: MARCH 6, 2024

Following this memo is a presentation reviewing covering the process of setting investment goals and objectives, and the asset allocation process.

POLICY REFERENCE

[Board Policy 1.8 – Trustee Education](#)

[Board Policy 2.1 – Investment Policy Statement](#)

[Board Policy 4.5 – Board/Staff Relations](#)

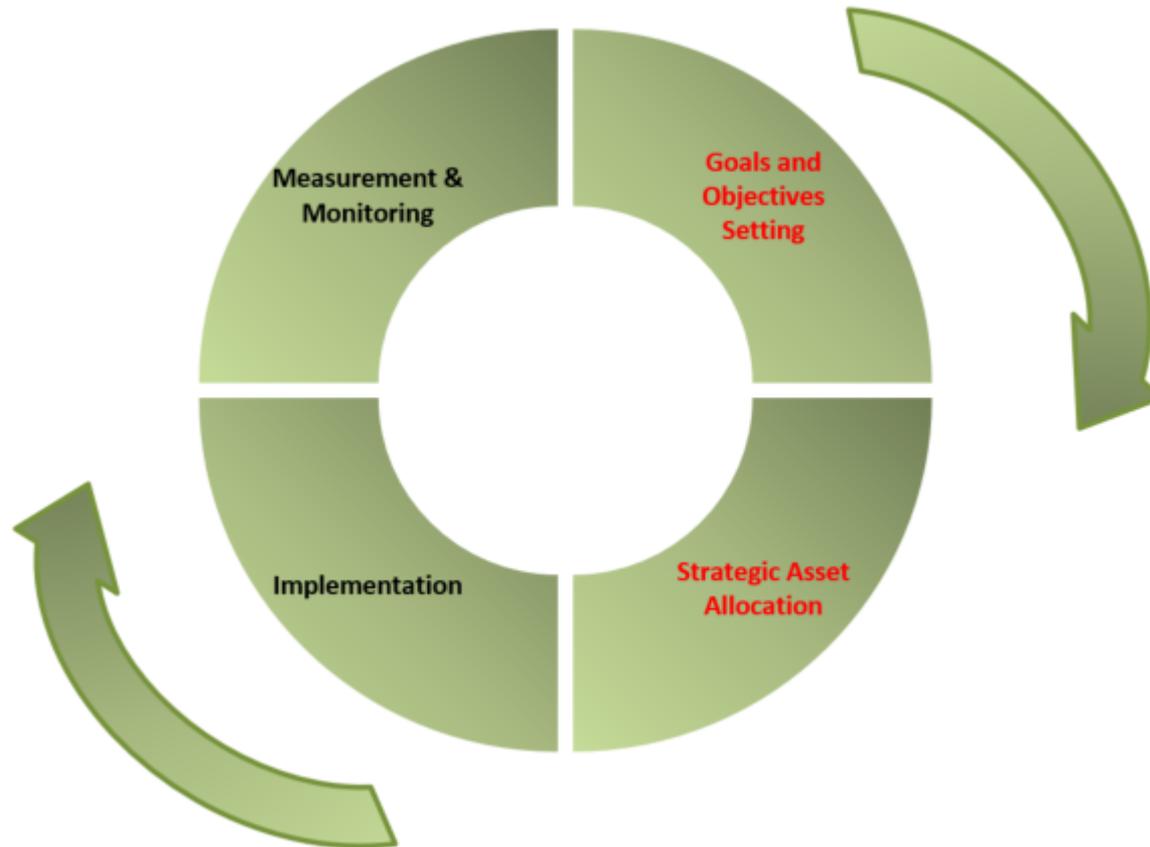
[Board Policy 4.6 – Communication and Support to the Board](#)



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

**Quarterly Education:
Goal Setting and Asset
Allocation**
March 14, 2023

Institutional Investing as a Process



Today's presentation covers first two steps in the process

Setting Goals and Objectives

Broadly accepted process involves:

Identifying key goals

- Risk objectives
- Return objectives

As well as investor-specific constraints, such as

- Liquidity needs
- Income needs
- Investment horizon
- Legal or regulatory factors
- Tax issues
- Any other unique circumstances

Process is more qualitative than quantitative, and challenge lies in balancing competing objectives.

Setting Goals and Objectives

C|A

Fundamentals for Developing a Long-Term Investment Policy

Long-term time horizon is a competitive advantage

Optimize trade-offs between return maximization and risk controls

High allocations to growth assets generally required for attractive returns

Broad diversification can mitigate inherent equity risks

Fixed income supports portfolio liquidity during periods of contraction

Guiding Principles

Strategic long term investors

Take appropriate risks, don't reach for returns

Obtain broad exposure to public market return streams via low cost passive approach

MainePERS Investment Constraints

Liquidity needs

- Currently minimal (<3%), but growing over time

Investment horizon

- Long term, and
- Shorter term (biennial rate setting)

Legal or regulatory factors

- Prudent investor rule
- Legislative restrictions

Unique circumstances

- Public entity, transparency, stakeholder concerns

Potential Goals and Objectives

Potential Risk Objectives

- Contribution rate volatility
- Funded status volatility
- Return volatility, short or longer term
- Risk Parity or other specific risk budgeting
- Minimize risk, subject to target return level
- Value at Risk measures

Potential Return Objectives

- Actuarial rate
- Outperform policy benchmark
- Maximize return, subject to target risk level
- Peer comparisons

IPS: Investment Objectives

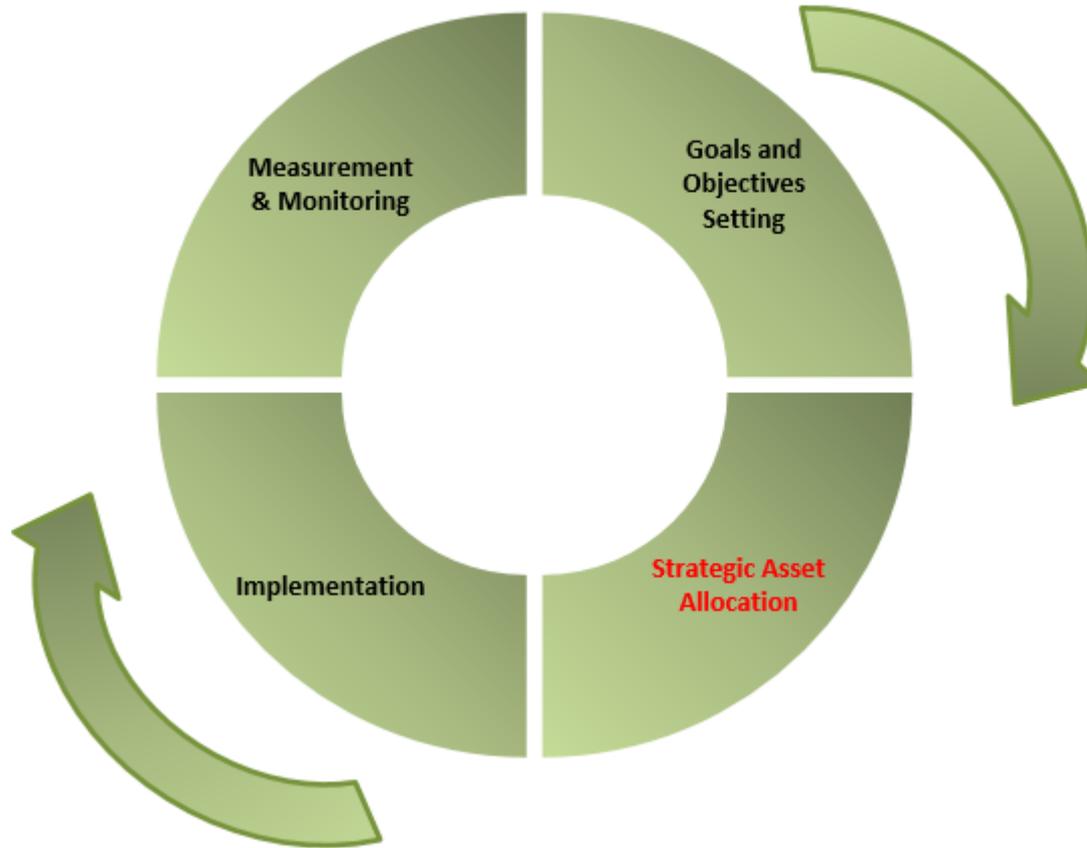
MainePERS' investment objectives balance the System's twin goals of generating investment returns (to ensure growth of the trust funds) and minimizing investment risks (loss of capital and cash flow shortfalls).

The Board recognizes and accepts that these goals are in opposition, and that a trade-off exists between expected risk and return.

The Board balances these goals by seeking to optimize portfolio returns consistent with an established targeted portfolio risk level.

Additionally, by optimizing investment returns on trust assets, rather than attempting to maximize them, the Board seeks to maintain contribution rate and funding level volatility at acceptable levels that have been determined from time to time during strategic asset allocation planning and asset/liability reviews.

Choosing an Asset Allocation



Goal: An asset allocation consistent with achieving Goals

Strategic Asset Allocation

Chose target allocations across asset classes

- Consistent with achieving Goals & Objectives
 - Acceptable contribution rate level & volatility
 - Optimize portfolio returns for risks taken

Mindful of specific constraints and considerations

- Long term investment horizon
- Liquidity needs
- Stakeholders

Process is both quantitative and qualitative

Considerations

C | A

Set Strategic Asset Allocation to Manage for MainePERS-Specific Risks

- ◆ **Long-Term Returns:** not achieving returns necessary to satisfy liabilities. Failing to achieve long-term returns can be the result of either excess permanent losses of capital or of overinvestment in asset classes with lower return profiles than the growth of the liability
- ◆ **Liability Outlook:** not accurately estimating the size of future liabilities
- ◆ **Liquidity:** not maintaining liquidity sufficient to meet near term obligations while maintaining optimal asset allocation (can turn mark-to-market losses into permanent capital impairment)
- ◆ **Maverick / Headline Risk:** investing in asset classes or managers that may raise concerns with constituents outside of investment considerations, or pursuing an investment approach that leads to a return pattern that materially differs from similar public plans
- ◆ **Short Term Volatility:** experiencing large draw downs during periods of market stress that can hamper ability to meet near term obligations or require additional funding contributions

Strategic Asset Allocation Process

Define asset classes

- Groups of assets influenced by same factors
- Investable at institutional quality and reasonable cost

Model asset class behavior

- What are expected risk and returns?
- How do asset classes move together (correlations)?
- Acknowledge that inputs are unstable and difficult to predict, even in long run

Allocate capital to construct a portfolio meeting goals and objectives

- Evaluate assets on contribution to overall portfolio, NOT on stand-alone basis
- Baking recipe analogy: not every ingredient needs to taste good itself

Asset Classes and Role in the Portfolio

Portfolio Role

Asset Classes

GROWTH

Drive portfolio growth to meet benefit obligations
Higher risk / return profile

Public & Private Equity

RISK DIVERSIFIERS

Dampen volatility while attempting to improve risk / return tradeoff
Lower correlation to equity markets, more reliance on manager skill

HARD ASSETS

Provide potential for growth and / or diversification
Stable value of appreciation in rising inflation / inflation sensitive

Real Estate
Infrastructure
Natural Resources

CREDIT

Provide potential source of diversification as well as income generation
Can serve to some degree as monetary hedge

Traditional Credit
Alternative Credit

MONETARY HEDGE

Stable value or appreciation in economic contraction or flight to quality
High sensitivity to falling interest rates
Possible hedge against currency risk

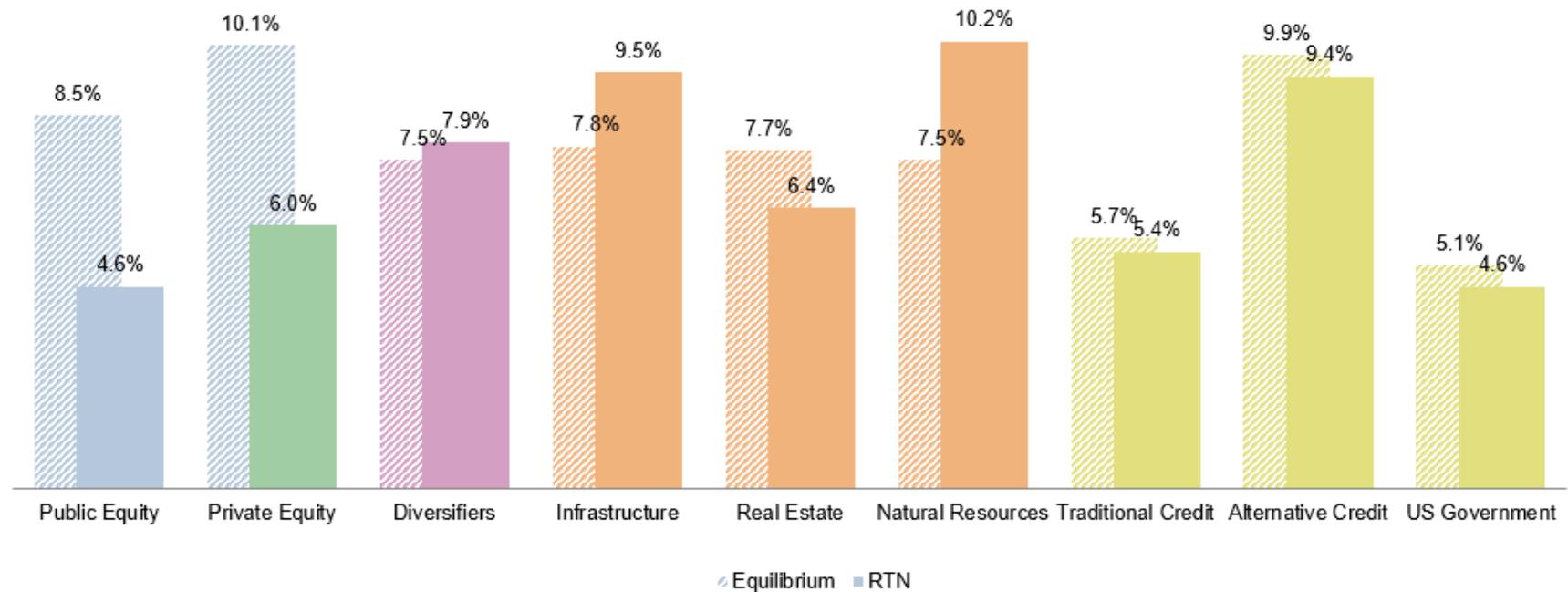
US Gov Securities

Asset Class Expectations

CA Asset Class Return Projections as of January 31st, 2024

TEN-YEAR NOMINAL RETURN SCENARIOS: "RETURN TO NORMAL"

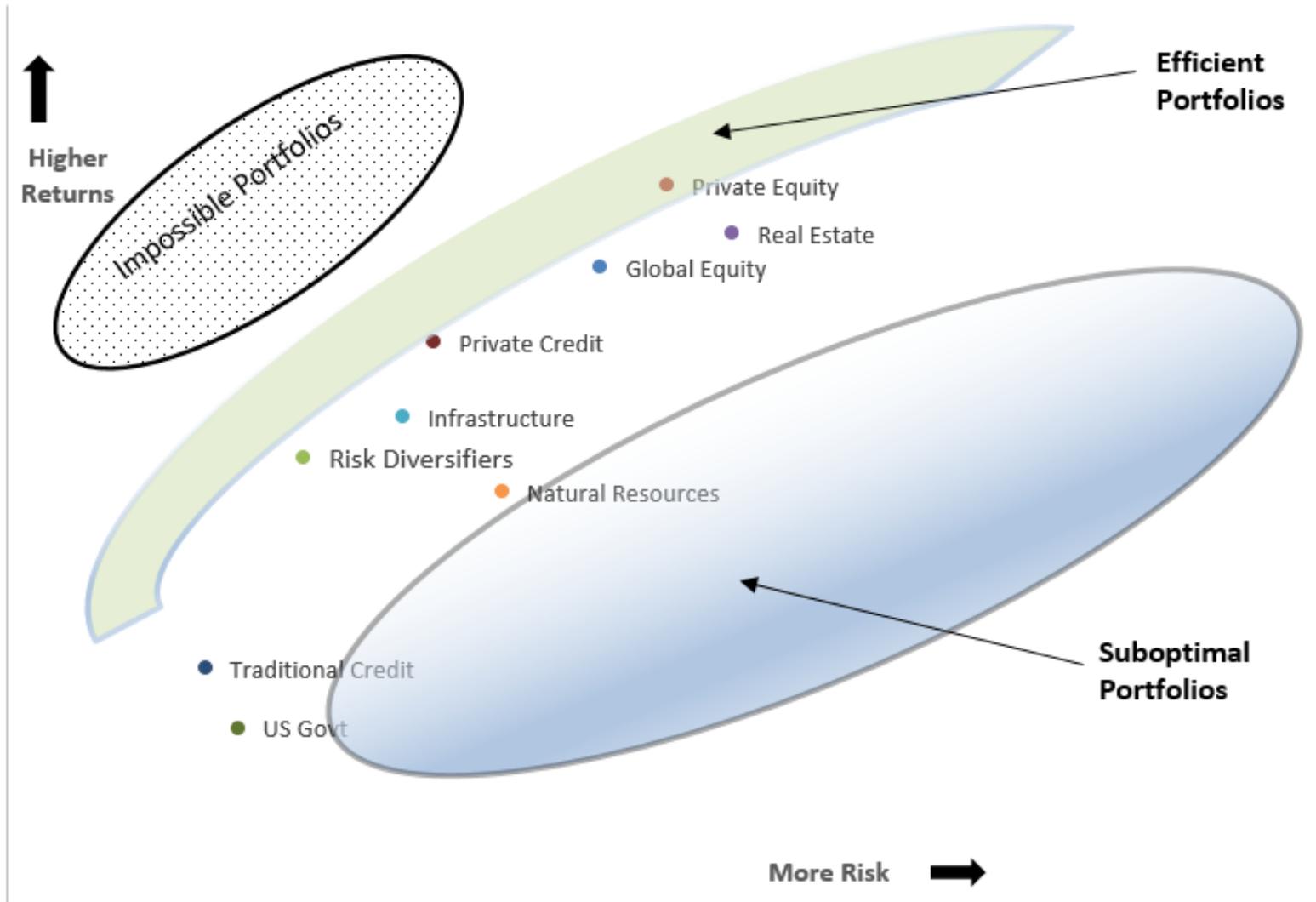
AS OF JANUARY 31ST, 2024 ■ NOMINAL AACR (Z)



Note(s): Public Equities assumptions are a blend of Cambridge Associates' assumptions: 60% US Equity, 28% Developed ex US Equity, 12% Emerging Markets Equity. Infrastructure assumptions are a blend of Cambridge Associates' assumptions: 60% Oil & Gas, 20% Timber, and 20% Commodities. Diversifiers assumptions are a blend Cambridge Associates' assumptions: 70% Absolute Return and 30% cash plus 300bps of alpha. Alternative Credit assumptions is Cambridge Associates' High Yield assumption plus 300bps of alpha. US Government Securities are a blend of Cambridge Associates' assumptions: 50% US TIPS, 50% US Govt Bonds.

Return to Normal are Cambridge Associates' Intermediate capital markets assumptions. Long Term returns are Cambridge Associates' Equilibrium capital markets assumptions. Blended return assumes 10 years of RTN returns and 15 years of Long -Term Returns.

Combining Assets into Portfolios



Portfolio Expectations

Capital Market Assumptions

As of January 31, 2024

	Asset Classes	Policy Portfolio	Return to normal	Equilibrium	Blended	Standard Deviation
Growth Assets	Public Equity	30.0%	4.6%	8.5%	6.9%	16.9%
	Private Equity	12.5%	6.0%	10.1%	8.5%	23.6%
Diversifiers	Diversifiers	7.5%	7.9%	7.5%	7.6%	7.0%
Hard Assets	Infrastructure	10.0%	9.5%	7.8%	9.0%	16.8%
	Real Estate	10.0%	6.4%	7.7%	7.2%	20.0%
	Natural Resources	5.0%	10.2%	7.5%	8.6%	18.2%
Credit	Traditional Credit	5.0%	5.4%	5.7%	5.6%	8.0%
	Alternative Credit	10.0%	9.4%	9.9%	9.7%	12.0%
Monetary Hedge	US Government	10.0%	4.6%	5.1%	4.9%	5.5%

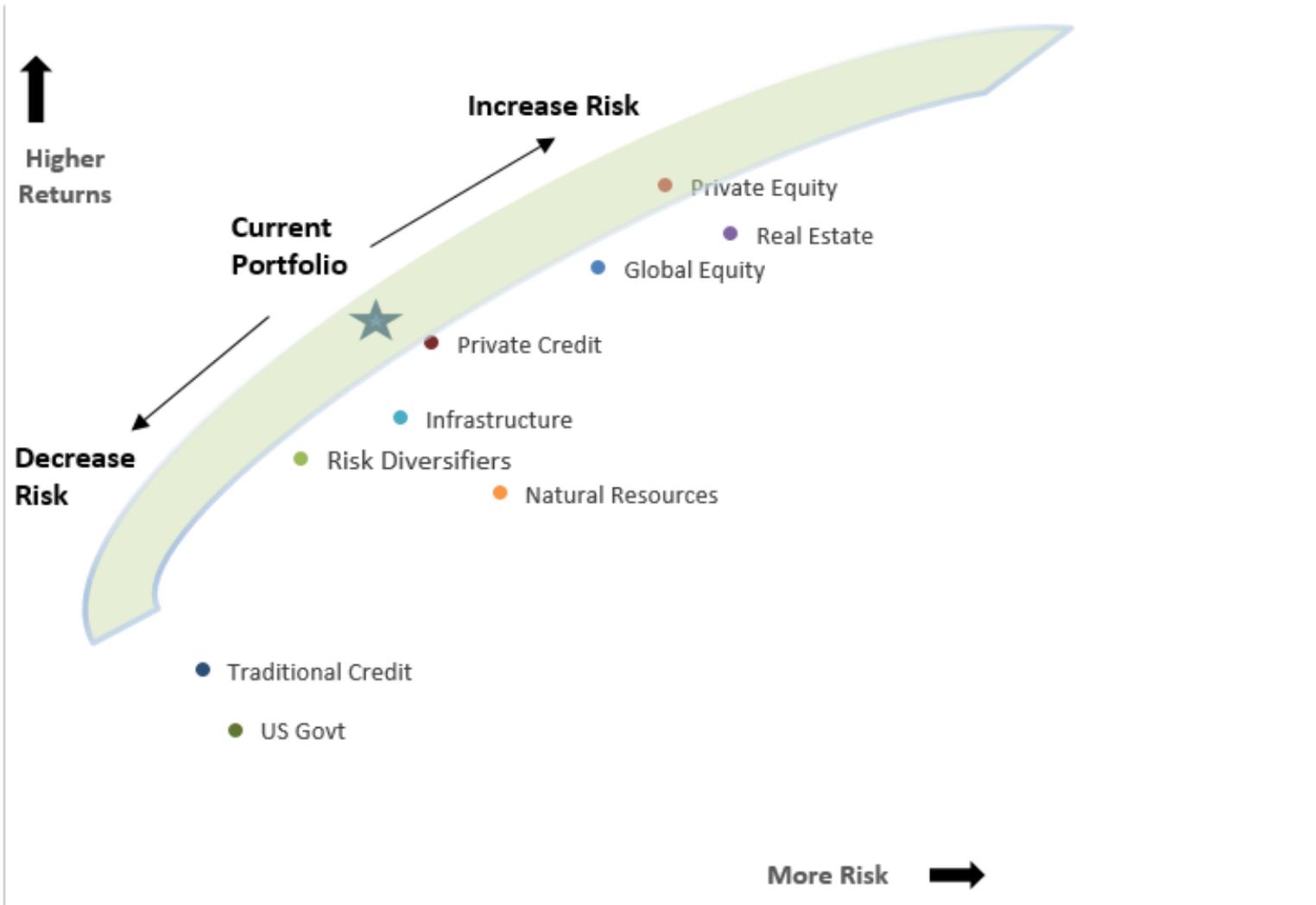
Long Term Target Geometric Return	7.1%	8.7%	8.1%
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Standard Deviation	10.9%	10.9%	10.9%
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Note(s): Public Equities assumptions are a blend of Cambridge Associates' assumptions: 60% US Equity, 28% Developed ex US Equity, 12% Emerging Markets Equity. Infrastructure assumptions are a blend of Cambridge Associates' assumptions: 60% Oil & Gas, 20% Timber, and 20% Commodities. Diversifiers assumptions are a blend Cambridge Associates' assumptions: 70% Absolute Return and 30% cash plus 300bps of alpha. Alternative Credit assumptions is Cambridge Associates' High Yield assumption plus 300bps of alpha. US Government Securities are a blend of Cambridge Associates' assumptions: 50% US TIPS, 50% US Govt Bonds.

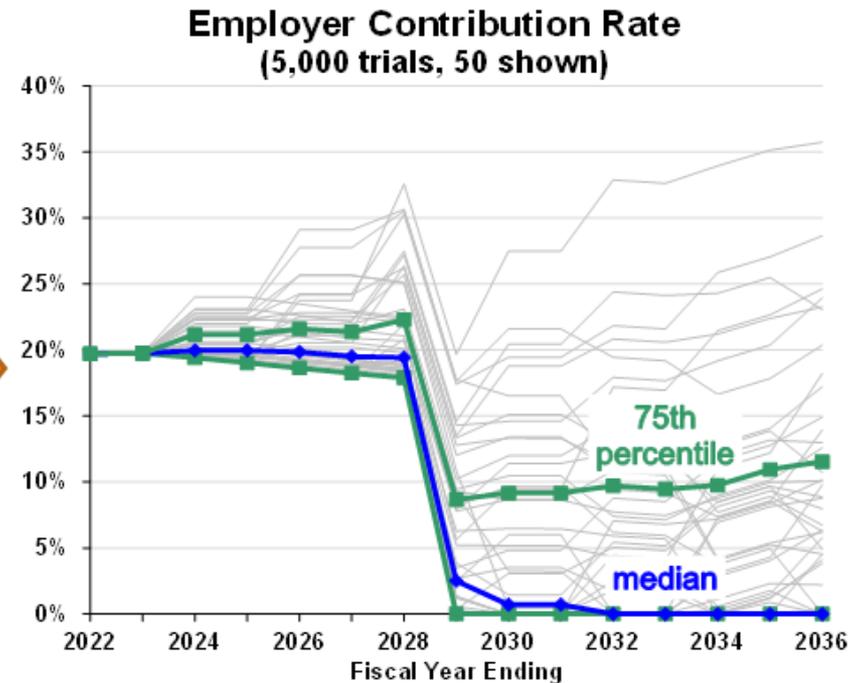
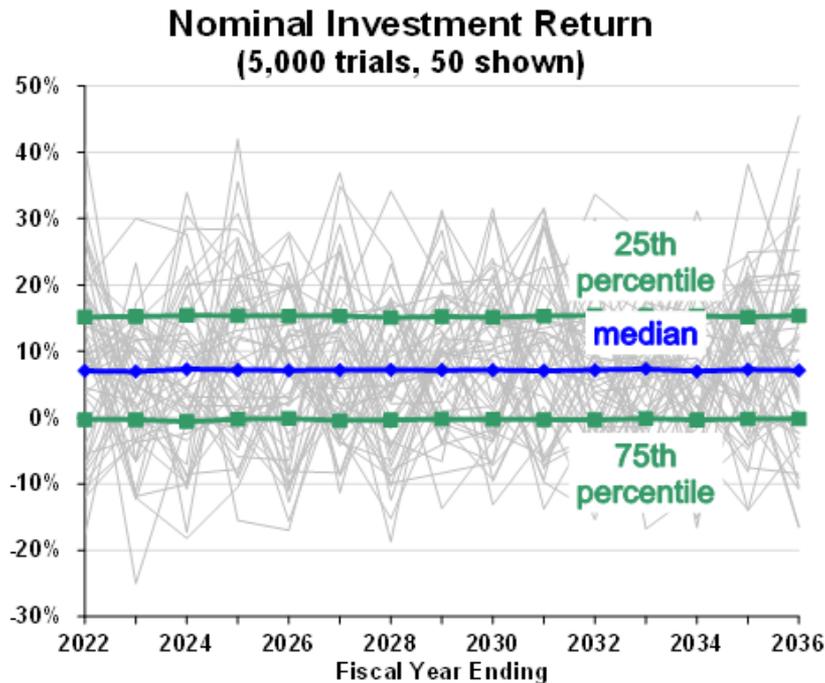
Return to Normal are Cambridge Associates' Intermediate capital markets assumptions. Long Term returns are Cambridge Associates' Equilibrium capital markets assumptions. Blended return assumes 10 years of RTN returns and 15 years of Long-Term Returns.

Different Allocations => Different Risks



Relating Portfolio Risk to Goals

The Investment Team worked with Cambridge Associates and Cheiron in 2022 on an asset-liability review. Cheiron simulated outcomes associated with different allocations, and results were used to guide discussion around potential allocation changes.



MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS

FROM: MICHAEL COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL
JAMES BENNETT, CHIEF INVESTMENT OFFICER
CHIP GAVIN, CHIEF SERVICES OFFICER

SUBJECT: MAINESTART QUARTERLY REVIEW

DATE: MARCH 6, 2024

Following this memo is the MaineSTART Quarterly Review for the quarter ending 12/31/2023.

POLICY REFERENCE

[Board Policy 2.1-C – DC Plans Investment Policy Statement](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communication and Support to the Board](#)

RECOMMENDATION

No Board action is required.



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

MaineSTART Quarterly Review

For the Quarter Ending 12/31/2023

MAINE
START

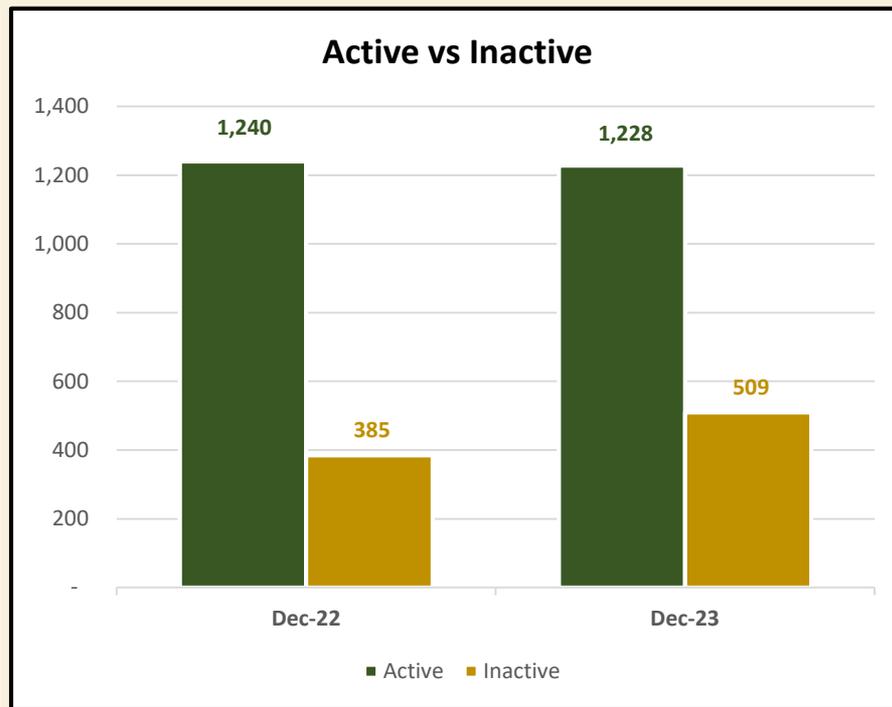
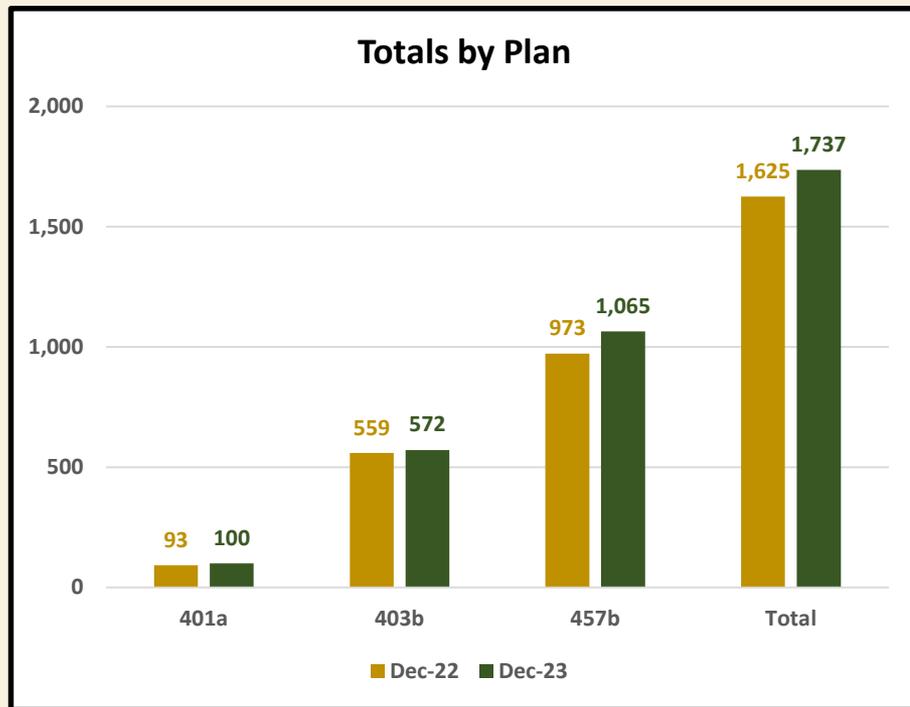
MaineSTART Review 4Q 2023

Overview of MaineSTART

- ▶ **401(a) Defined Contribution Plan**
 - ▶ **Qualified Plan**
 - ▶ **Higher Contribution Limits**
 - ▶ **Inflexible**
- ▶ **403(b) Tax-Sheltered Annuity Plan**
 - ▶ **Only for Educational and Certain Non-Profit Organizations**
 - ▶ **Flexible**
- ▶ **457(b) Deferred Compensation Plan**
 - ▶ **Flexible**

MaineSTART Review 4Q 2023

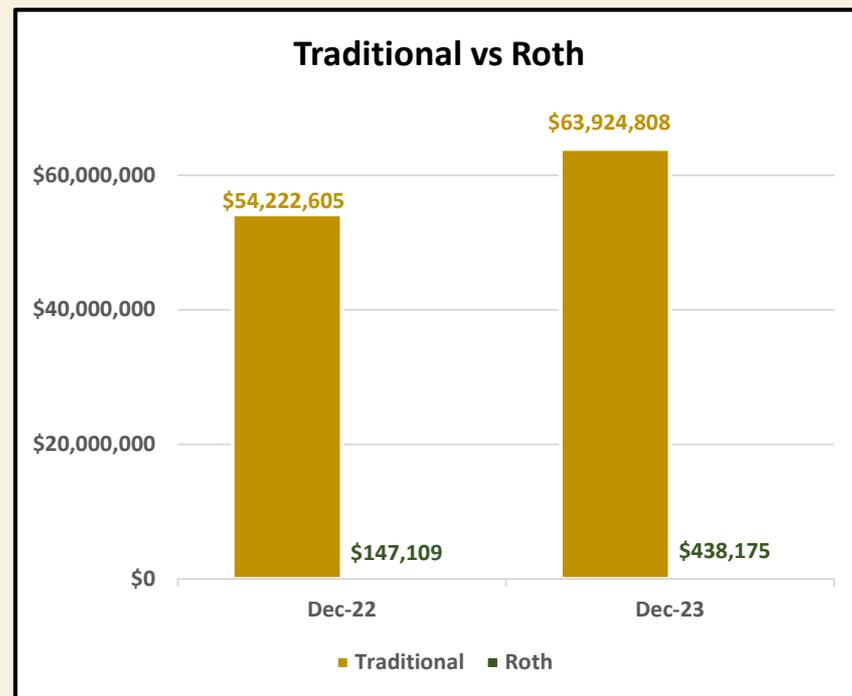
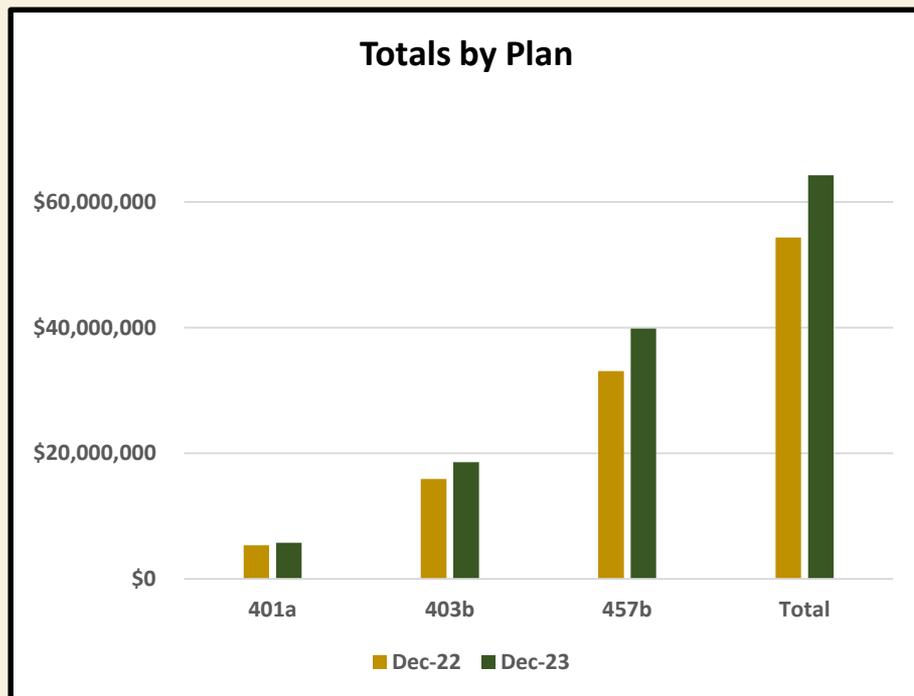
Participants



- Net participation has increased by 6.8%, 5.9%, and 6.9% for 2021, 2022, and 2023, respectively.

MaineSTART Review 4Q 2023

Market Value



- **MaineSTART Market Value hit an all time high of \$64.4 million on 12/31/2023**

MaineSTART Review 4Q 2023

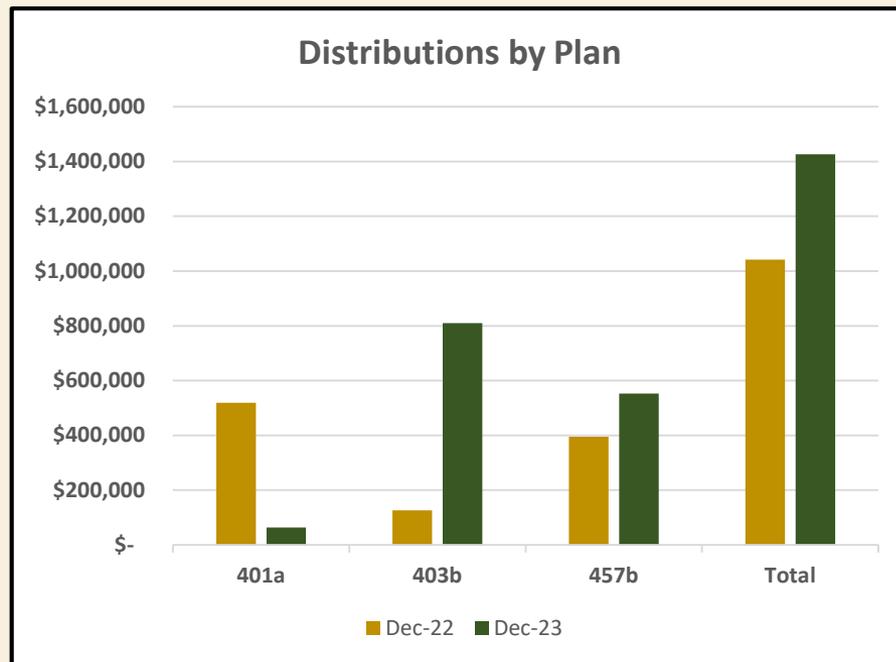
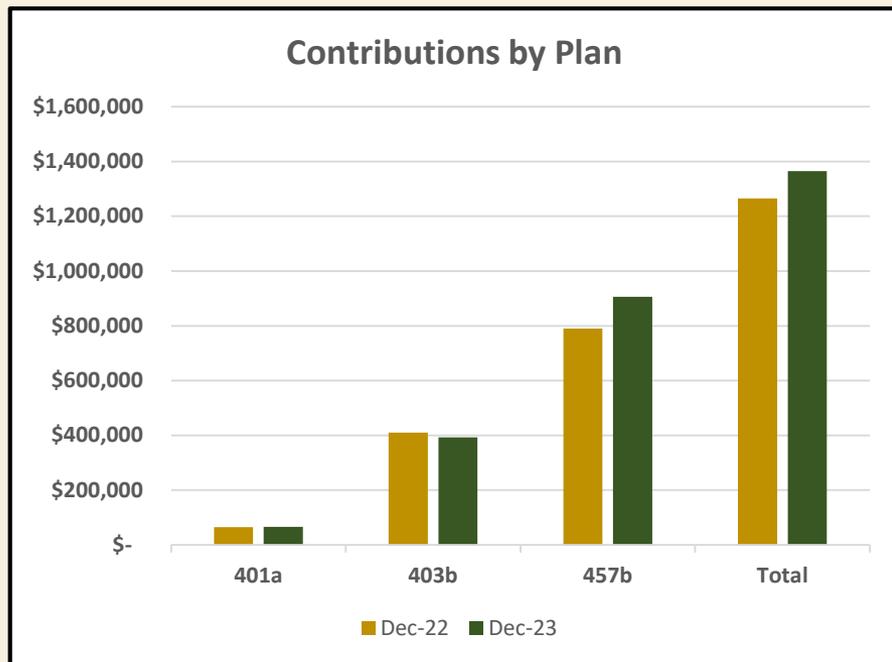
Participation and Value as of 12/31/2023

	401(a)	403(b)	457(b)	Total	Change from 12/31/2022
Participating Employers	7	1	79	87*	6
Participating Employees	100	572	1,065	1,737	112
Total Market Value	\$5,774,767	\$18,614,948	\$39,973,268	\$64,362,983	\$9,993,269

*26% of PLDs

MaineSTART Review 4Q 2023

Cash Flows



Note: One distribution from 401a in Nov 2022 = \$514,000
One distribution from 403b in Nov 2023 = \$603,000

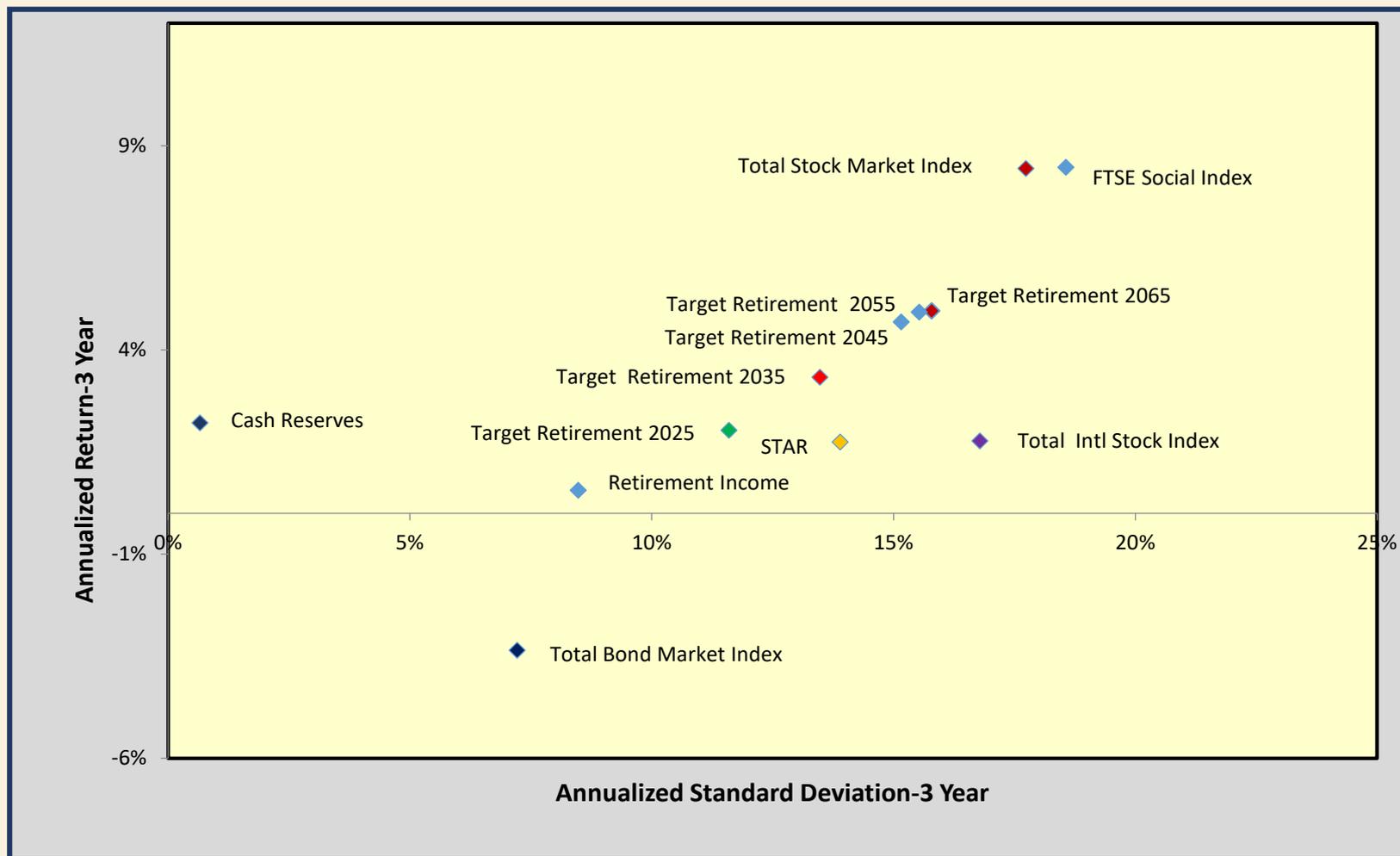
MaineSTART Review 4Q 2023

MaineSTART Investment Options

Fund	Expense Ratio
Target Retirement	
Vanguard Target Retirement 2025	0.08%
Vanguard Target Retirement 2035	0.08%
Vanguard Target Retirement 2045	0.08%
Vanguard Target Retirement 2055	0.08%
Vanguard Target Retirement 2065	0.08%
Vanguard Target Retirement Income	0.08%
US Equity	
Vanguard Total Stock Market Index	0.03%
Vanguard FTSE Social Index	0.14%
Non-US Equity	
Vanguard Total International Stock Index	0.11%
Balanced	
Vanguard STAR	0.31%
Fixed Income	
Vanguard Total Bond Market Index	0.05%
Cash	
Vanguard Cash Reserves Federal Money Market	0.10%

MaineSTART Review 4Q 2023

Risk vs Reward



MaineSTART Review 4Q 2023

Performance of Target Date Funds

Total Fund	\$ 64,362,983	%					
		Total	Quarter	1 Yr	3 Yrs	5 Yrs	10 Yrs
Target Retirement Funds							
Target Retirement 2025	\$ 14,914,971	23.1%	8.9%	14.6%	2.0%	7.6%	6.1%
Target Retirement 2025 Benchmark			8.9%	14.7%	2.4%	8.0%	6.4%
Target Retirement 2035	\$ 11,582,974	18.1%	9.8%	17.1%	3.3%	9.2%	7.1%
Target Retirement 2035 Benchmark			9.9%	17.4%	3.7%	9.6%	7.4%
Target Retirement 2045	\$ 7,430,112	11.6%	10.6%	19.5%	4.7%	10.8%	7.9%
Target Retirement 2045 Benchmark			10.5%	19.8%	5.0%	11.2%	8.3%
Target Retirement 2055	\$ 1,817,205	2.8%	10.8%	20.2%	4.9%	10.9%	8.0%
Target Retirement 2055 Benchmark			10.8%	20.5%	5.3%	11.4%	8.3%
Target Retirement 2065	\$ 213,909	0.3%	10.8%	20.2%	5.0%	10.9%	
Target Retirement 2065 Benchmark			10.8%	20.5%	5.3%	11.4%	
Target Retirement Income	\$ 4,751,443	7.2%	7.3%	10.7%	0.6%	4.8%	4.1%
Target Retirement Income Benchmark			7.3%	10.8%	0.8%	5.1%	4.3%

Tracking Error for all funds remains within expected ranges given market volatility during Q4.

MaineSTART Review 4Q 2023

Performance of Index and Balanced Funds

Total Fund	\$ 64,362,983	% of Total	Quarter	1 Yr	3 Yrs	5 Yrs	10 Yrs
US Equity							
Total Stock Market Index	\$ 12,542,223	19.5%	12.2%	26.0%	8.4%	15.1%	11.4%
Dow Jones Total Stock Market Index			12.1%	26.0%	8.4%	15.1%	11.4%
FTSE Social Index	\$ 1,084,590	1.7%	13.2%	31.8%	8.5%	16.0%	12.5%
FTSE4Good US Select Index			13.2%	31.9%	8.6%	16.1%	12.7%
Non-US Equity							
Total International Stock Index	\$ 2,494,749	3.9%	10.0%	15.5%	1.8%	7.3%	4.1%
Total International Stock Index			9.8%	15.8%	1.9%	7.5%	4.2%
Balanced							
STAR	\$ 2,366,786	3.7%	10.4%	17.1%	1.7%	9.3%	7.2%
STAR Composite Index			9.4%	16.5%	3.6%	9.1%	6.9%
Fixed Income							
Total Bond Market Index	\$ 1,826,560	2.8%	6.7%	5.7%	-3.4%	1.1%	1.8%
Barclays Capital Aggregate Bond Index			6.7%	5.6%	-3.3%	1.2%	1.8%
Total Cash							
Cash Reserves Federal Money Market	\$ 3,337,459	5.2%	1.3%	5.1%	2.2%	1.9%	1.3%
Citigroup 90 Day T-Bill Index			1.2%	4.6%	1.9%	1.6%	1.0%

Tracking Error for all funds remains within expected ranges.

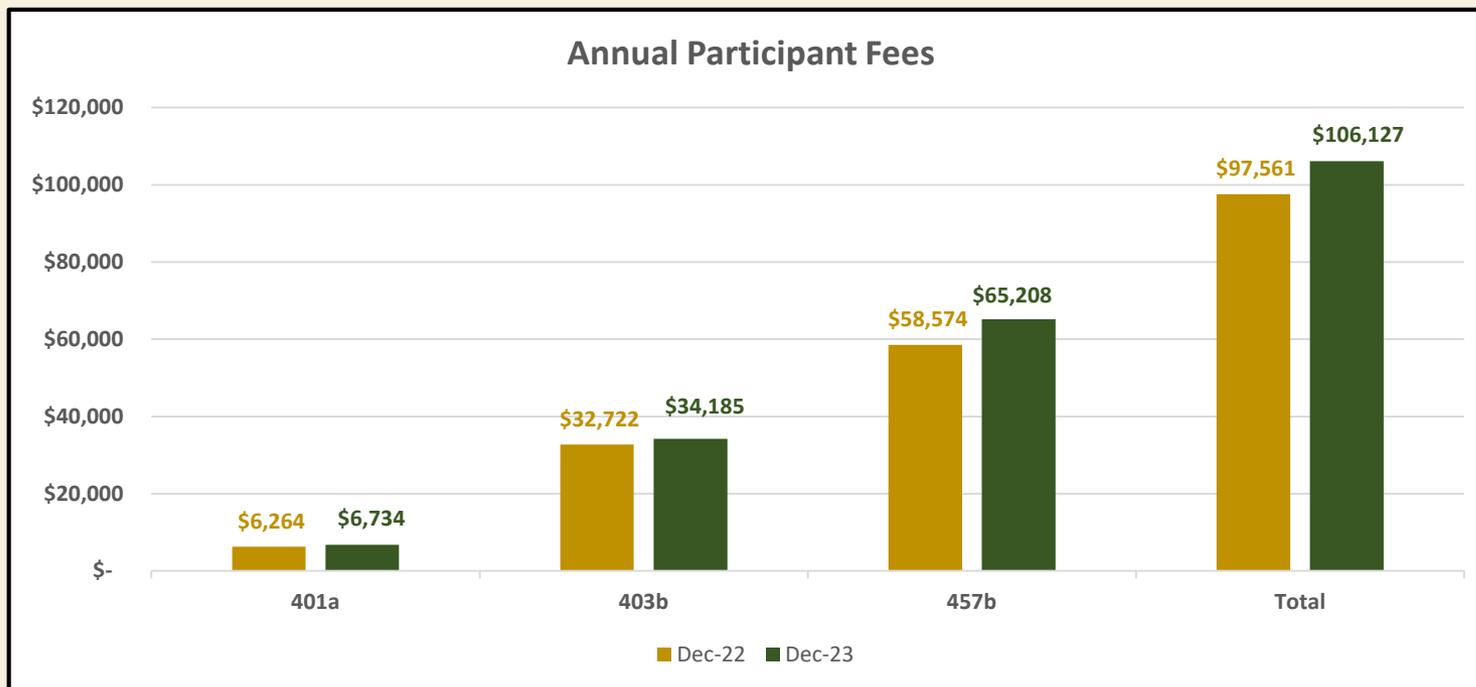
MaineSTART Review 4Q 2023

Investment Option Fees

Fund Name	Ticker	Market Value	MaineSTART	Next	Next
			Expense Ratio	Threshold Amount	Expense Ratio
Vanguard Total Stock Market Index	VITSX	\$12,542,223	0.03%	\$100,000,000	0.02%
Vanguard Total International Stock Index	VTIAX	\$2,494,749	0.11%	\$5,000,000	0.10%
Vanguard STAR	VGSTX	\$2,366,786	0.31%	N/A	0.31%
Vanguard FTSE Social Index	VFTAX	\$1,084,590	0.14%	\$5,000,000	0.12%
Vanguard Target Retirement 2025	VTTVX	\$14,914,971	0.08%	N/A	0.08%
Vanguard Target Retirement 2035	VTTHX	\$11,582,974	0.08%	N/A	0.08%
Vanguard Target Retirement 2045	VTIVX	\$7,430,112	0.08%	N/A	0.08%
Vanguard Target Retirement 2055	VFFVX	\$1,817,205	0.08%	N/A	0.08%
Vanguard Target Retirement 2065	VLXVX	\$213,909	0.08%	N/A	0.08%
Vanguard Retirement Income	VTINX	\$4,751,443	0.08%	N/A	0.08%
Vanguard Total Bond Market Index	VBTLX	\$1,826,560	0.05%	N/A	0.05%
Vanguard Cash Reserves Federal MM	VMRXX	\$3,337,459	0.10%	N/A	0.10%
			\$64,362,983		

MaineSTART Review 4Q 2023

Fees



Notes:

- Participants pay an annual fee of \$50 and 3 bps on assets to the Newport Group
- Investment management fees vary depending on the fund selection
- Annual Administrative Fees of \$271,000 are assessed through PLD payrolls at 0.04%

MaineSTART Outreach

- ▶ **MaineSTART Program offered to Teachers in 2021**
- ▶ **E-Blast to School Superintendents in 2022**
- ▶ **Featured in MainePERS Employer Newsletters**
- ▶ **Included in Employer Training Program at MainePERS**
- ▶ **Contacting each School District's Business Office**
- ▶ **Advertisement in Maine Town and Country Magazine**

MaineSTART Outreach Statistics

- ▶ **Participant Meetings 4Q 2023: 362**
 - ▶ In-Person -116
 - ▶ Remote - 58
 - ▶ Phone Calls -188
- ▶ **Teacher Employer Outreach 4Q23: 56**
 - ▶ Emails – 48
 - ▶ Phone calls – 8
- ▶ **PLD Employer Outreach 4Q 2023: 12**
 - ▶ Emails – 4
 - ▶ Phone calls - 8
- ▶ **Participant Outreach Calendar Year 2023: 1,514***
- ▶ **Participant Outreach Calendar Year 2022: 1,094**

*Elimination of STAR Fund contributed to uptick in participant outreach

MaineSTART Review 4Q 2023

Compliance and Operations

- ▶ **Defined benefit personnel and defined contribution personnel are collaborating on joint presentations when possible.**
- ▶ **The identification of the available defined contribution universe and the presence of an existing defined contribution program will direct future outreach efforts.**
- ▶ **The MaineSTART program will have a webinar available for prospective and existing employers in the third quarter of 2024.**

MaineSTART Fiduciary Responsibilities

- ▶ **Basic Fiduciary Duties – Duty of Loyalty and Duty of Prudence**
 - ▶ **Duty of Loyalty – Act solely in the interests of the participants and beneficiaries**
 - ▶ **Duty of Prudence – Exercise reasonable care, skill, and caution**

- ▶ **Duties Apply to Discretionary Plan Functions.**
 - ▶ **For example, providing investment options**

- ▶ **Employers Acting as Employers Do Not Have Fiduciary Duties.**

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS
FROM: DR. REBECCA M. WYKE, CEO
SUBJECT: CEO REPORT
DATE: MARCH 6, 2024

Stakeholder Engagement

On February 13th Chief Operating Officer and General Counsel Mike Colleran and I met with representatives of the LD 99 Implementation Project, two of which are MainePERS retired members. The Project is a coalition of organizations that include: Maine Youth for Climate Justice, Maine Climate Action Now, Third Act Maine, and Sierra Club of Maine. During the meeting Project representatives expressed their concern about whether in implementing Public Law 2021, c. 231, (also known as L.D. 99) MainePERS has properly considered and reported on the historical performance and financial risks posed by investments in fossil fuels. The Project representatives also provided written materials, which have been made available to the Board for consideration.

MainePERS expended considerable resources and spent the better part of a year working diligently to explore the financial implications of alternative strategies to avoid fossil fuel investments and then looked to our counsel in the Attorney General's Office to help us navigate the legal issues guiding the fiduciary duty of the Board of Trustees in implementing the new law. The results of that process are fully outlined in our annual reports to the Maine Legislature's Joint Standing Committee on Labor and Housing.

Focus Friday Update

Starting in April 2023 MainePERS began dedicating Fridays to address chronic backlogs in member service requests. This effort, which includes being closed to the public on Fridays, has had an impact but more work remains. The focus has been on service retirement estimates and preliminary to final benefits. The current charts for tracking both of these queues appear in the Member Services, Finance and Operations Report for this Board meeting.

Service retirement estimates are necessary for placing a member on the payroll with a preliminary benefit upon retirement. Substantial progress has been made and this queue has been reduced by 80%, from more than 1,000 pending requests to 232 as of March 1st. Without Focus Fridays, MainePERS had projected we would be facing a backlog of approximately 2,000 requests, which would have jeopardized our ability to process first-time benefit payments on time.

The second metric associated with the launch of Focus Fridays is the preliminary to final benefit, which remains a significant challenge. As of March 1st there were 2,115 members in the queue to move from a preliminary to a final benefit, of which 1548 have been in the queue for more than 6 months. Unfortunately, it has been particularly difficult to move the needle on this backlog due to the limited number of staff qualified to perform this work. Real progress is contingent on retaining staff and training the current cohort of Pension Associate Is so the total number of staff assigned to this work can expand. We therefore believe it is prudent to continue Focus Fridays indefinitely and will continue to provide monthly updates to the Board.

Employee Survey

The sixth goal in the 5-Year Strategic Plan is to “foster an engaged workforce that advances the organization’s mission”. As part of this work, we conducted the second annual employee satisfaction survey from January 15 – February 7, 2024. The survey results are included in the Board Meeting materials and will be presented at the meeting.

State-Sponsored Plans and Sub-Plans

Director of Legislative and Actuarial Affairs Kathy Morin will present a “mission moment” focused on the state-sponsored plans and sub-plans and how they interact. This education was requested as part of the 2023 Board self-evaluation process.

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS
FROM: DR. REBECCA M. WYKE, CEO
SUBJECT: 2024 EMPLOYEE SATISFACTION SURVEY
DATE: FEBRUARY 23, 2024

POLICY REFERENCE

[Board Policy 5.3 Service to Staff](#)

MainePERS conducted an employee satisfaction survey January 25 – February 7, 2024. All employees were invited to participate in the survey. Eighty-three (83) employees completed the survey, a 67% response rate. A copy of the survey is attached.

Of those responding, 87% stated that they “agree” or “strongly agree” they are satisfied with their job (compared to 74% in 2023), 11% were neutral, and 2% stated they “disagree” or “strongly disagree”. Ninety-two percent (92%) indicated they “agree” or “strongly agree” they know what is expected of them in their position (compared to 91% in 2023), 6% were neutral, and 2% “disagree” or “strongly disagree”. And, 88% said they “always” or “usually” receive helpful feedback from their supervisor (compared to 81% in 2023), while 8% said “sometimes”, and 4% stated “rarely” or “never”.

Two new questions were added to the survey to assess the climate for inclusivity. Eighty-three percent (83%) stated they “agree” or “strongly agree” that MainePERS is committed to creating an inclusive workplace environment, 17% were neutral, and none stated they “disagree”. And, 80% indicated they feel their ideas are valued and feel safe suggesting them, 12% said “sometimes”, and 8% said “rarely” or “never”.

Responses to the survey suggest optimism that the work culture and environment continue to improve, but also acknowledge there is more work to be done. Some employees also noted the backlogs continue to be burdensome.

The results of the survey have been shared with staff and senior management continues to work on addressing issues of concern.

RECOMMENDATION

No Board action is recommended at this time.

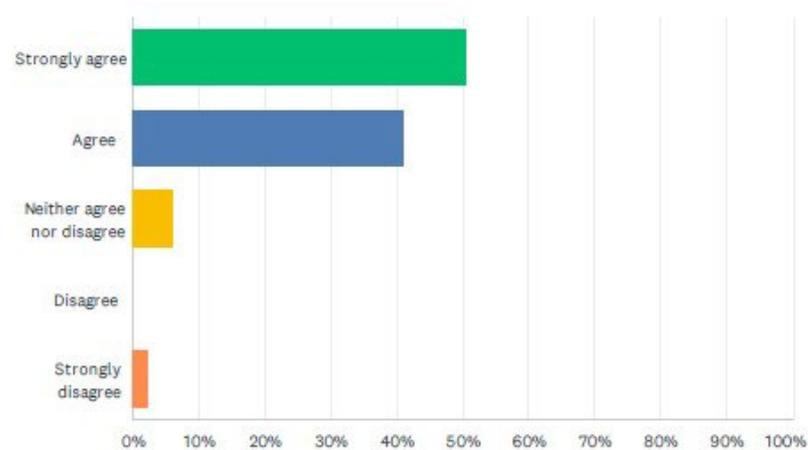
2024 Employee Satisfaction Survey

January 15 – February 7, 2024

Question 1

Q1 I know what is expected of me in my position.

Answered: 83 Skipped: 0

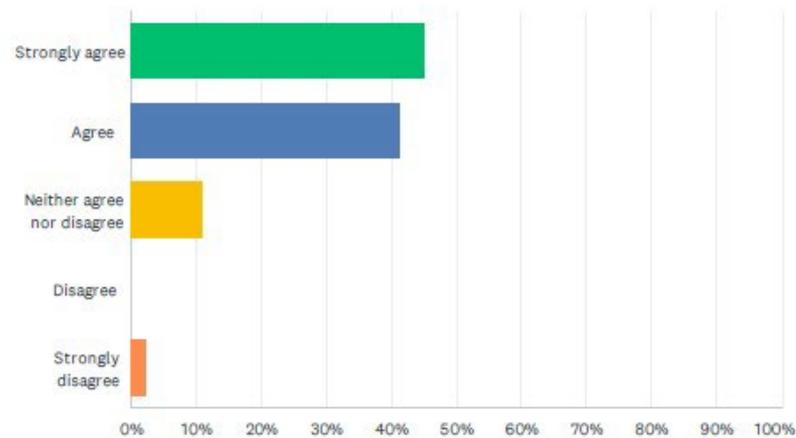


ANSWER CHOICES	RESPONSES	
Strongly agree	50.60%	42
Agree	40.96%	34
Neither agree nor disagree	6.02%	5
Disagree	0.00%	0
Strongly disagree	2.41%	2
TOTAL		83

Question 2

Q2 In general, I am satisfied with my job.

Answered: 82 Skipped: 1

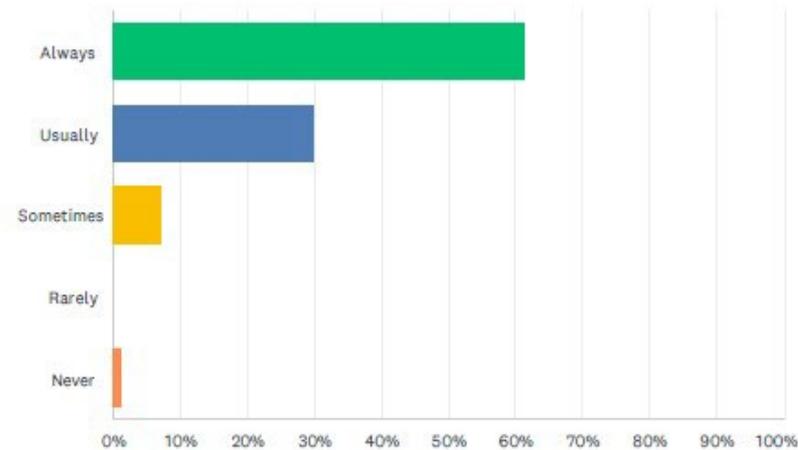


ANSWER CHOICES	RESPONSES	
Strongly agree	45.12%	37
Agree	41.46%	34
Neither agree nor disagree	10.98%	9
Disagree	0.00%	0
Strongly disagree	2.44%	2
TOTAL		82

Question 3

Q3 I receive timely and relevant communications from my supervisor.

Answered: 83 Skipped: 0

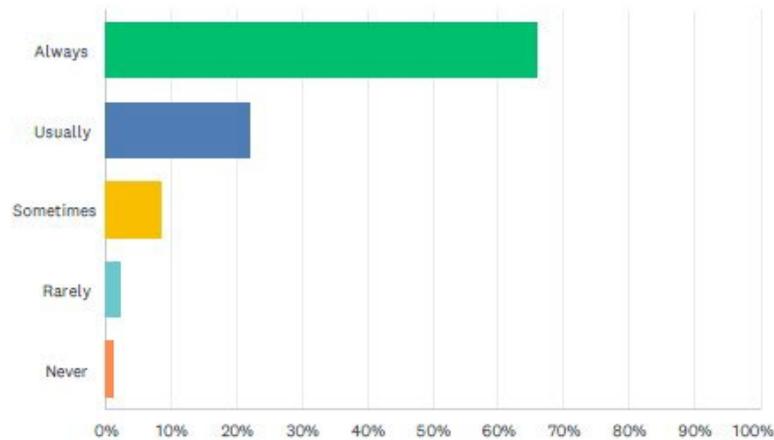


ANSWER CHOICES	RESPONSES	
Always	61.45%	51
Usually	30.12%	25
Sometimes	7.23%	6
Rarely	0.00%	0
Never	1.20%	1
TOTAL		83

Question 4

Q4 My supervisor provides helpful feedback.

Answered: 82 Skipped: 1

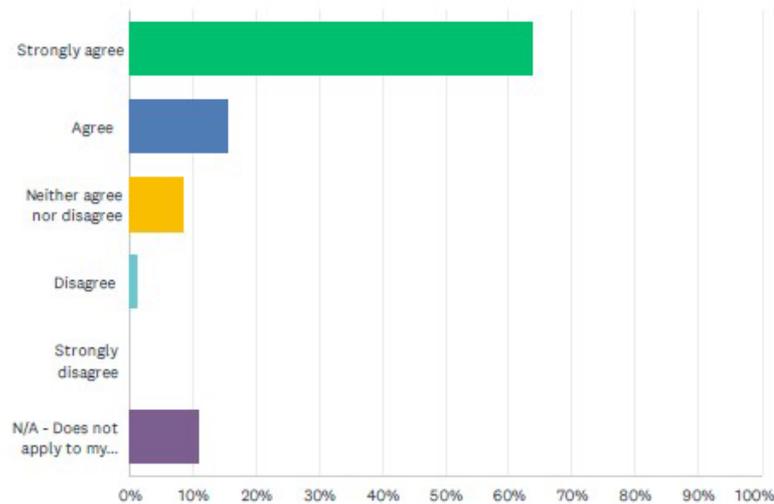


ANSWER CHOICES	RESPONSES	
Always	65.85%	54
Usually	21.95%	18
Sometimes	8.54%	7
Rarely	2.44%	2
Never	1.22%	1
TOTAL		82

Question 5

Q5 The option of a hybrid remote work schedule has improved my work-life balance and is beneficial for MainePERS.

Answered: 83 Skipped: 0

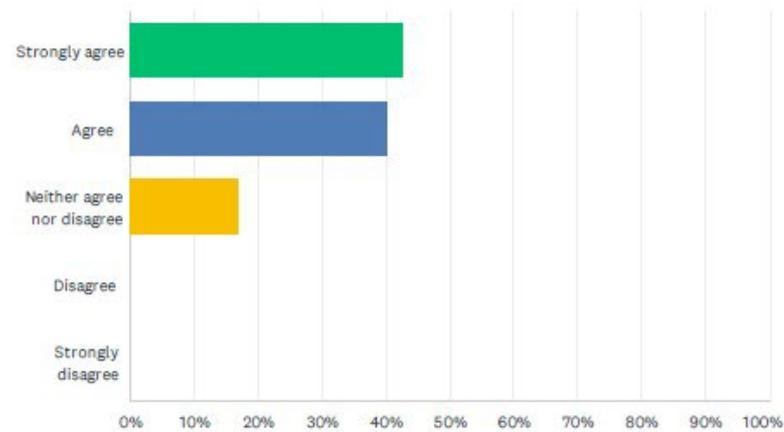


ANSWER CHOICES	RESPONSES	
Strongly agree	63.86%	53
Agree	15.66%	13
Neither agree nor disagree	8.43%	7
Disagree	1.20%	1
Strongly disagree	0.00%	0
N/A - Does not apply to my position	10.84%	9
TOTAL		83

Question 6

Q6 MainePERS is committed to creating an inclusive workplace environment.

Answered: 82 Skipped: 1

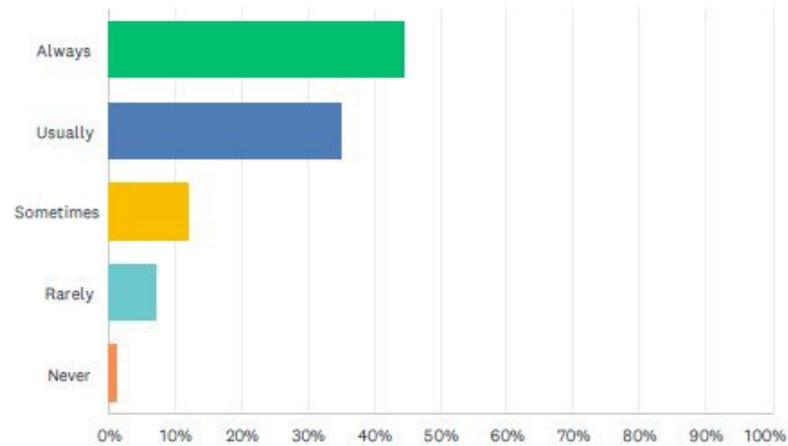


ANSWER CHOICES	RESPONSES	
Strongly agree	42.68%	35
Agree	40.24%	33
Neither agree nor disagree	17.07%	14
Disagree	0.00%	0
Strongly disagree	0.00%	0
TOTAL		82

Question 7

Q7 I feel my ideas are valued and I feel safe in suggesting them.

Answered: 83 Skipped: 0

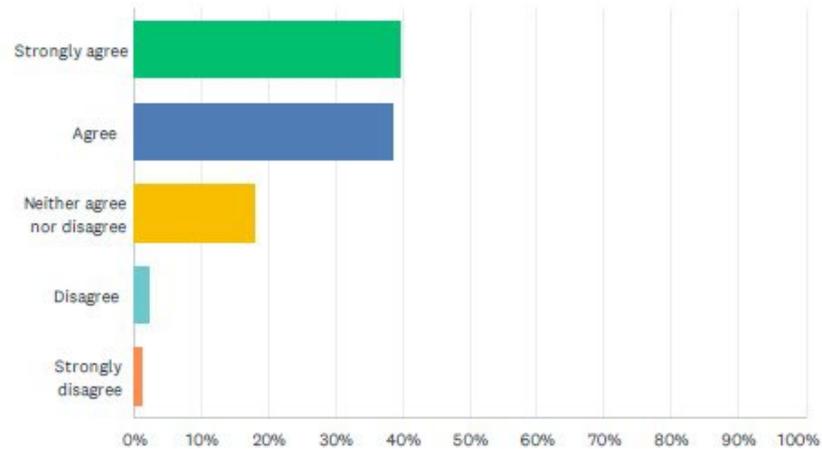


ANSWER CHOICES	RESPONSES	
Always	44.58%	37
Usually	34.94%	29
Sometimes	12.05%	10
Rarely	7.23%	6
Never	1.20%	1
TOTAL		83

Question 8

Q8 I would recommend MainePERS as a great place to work.

Answered: 83 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	39.76%	33
Agree	38.55%	32
Neither agree nor disagree	18.07%	15
Disagree	2.41%	2
Strongly disagree	1.20%	1
TOTAL		83

Survey Themes

- Work culture and environment are moving in a positive direction, but there is more work to do.

Question 8 – I would recommend MainePERS as a great place to work

2023 79% agree – 3% disagree – 18% neutral

2022 61% agree – 13% disagree – 26% neutral

- Backlogs continue to be burdensome, but progress has been made

Note, two new questions for this year's survey:

Question 6 – MainePERS is committed to creating an inclusive workplace environment, 83% agree

Question 7 – I feel my ideas are valued and I feel safe in suggesting them, 80% agree



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

State-Sponsored Plans

March 14, 2024

Kathy Morin
Director of Actuarial and Legislative Affairs

State-Sponsored Plans - Topics

- Plans and Sub-Plans
 - State-Sponsored Plans - Covered Groups
 - Key Differences in Sub-Plans
 - Plans and Sub-Plans at a glance
- Interchangeability
 - What it is
 - How it is determined
- Portability
 - What it is
 - How it works
 - Costs
- Legislative Efforts

State-Sponsored Plans – Covered Groups

- Who is covered by a State-Sponsored Plan?
 - State employees
 - There are several Sub-Plans for specific groups of state employees
 - School Unit employees who meet the definition of “Teacher” (5 M.R.S. Section 17001(42)), including those who:
 - Hold a position that requires Department of Education certification or licensure and who meets that requirement;
 - Hold a position for which the principal function is to introduce new learning to students.
 - Legislators
 - Judges

Sub-Plans – Key Differences

Sub-Plans for state employees can vary as to the:

- Employee and employer contribution rates
- Age at which retirement eligibility is met (e.g., normal retirement age)
- Number of years required to be eligible for a benefit
- Calculation of benefit
- Reduction for early retirement

Special Plans typically provide for earlier retirement than the Regular Plan. Special Plans are more costly for this reason.

Plans and Sub-Plans at a glance, cont'd

	Regular Plan	1998 Special Plan	25 Year No-Age Special Plan	Fire Marshals	Closed Plans*	Legislators	Judges
Normal Retirement Age	60/62/65	55	Any age at which member meets service requirement	Any age at which member meets service requirement	Any age at which member meets service requirement	60/62/65	60/62/65
Service Eligibility	25 years	10 years under the plan if at least age 55 <u>or</u> 25 years in a covered position	25 years of covered service	20 years of covered service	20 years of covered service	25 years	25 years
Accrual Rate	2%	2%	2%	2.5% for 20 years and 2% for additional years over 20	2.5% for 20 years and 2% for additional years over 20	2%	2% for service through 6/30/98 and 3% for service thereafter Benefits for judges appointed on or after 12/1/84 cannot exceed 70% of AFC
Early Retirement Reduction Factor	2.125% or 6% per year based on years of service on 7/1/93	2.125% or 6% per year based on years of service on 7/1/93 Reduction based on plan in which service was earned (i.e., regular or special) For some groups, service earned before the plan effective date for the group is counted as special plan service and is not subject to an early reduction for retirement prior to age 55	N/A	N/A	N/A	2.125% or 6% per year based on years of service on 7/1/93	2.125% or 6% per year based on years of service on 7/1/93

State-Sponsored Plans - Interchangeability

What is Interchangeability of benefits?

- Benefits earned under different plans can be combined for service retirement eligibility and benefit calculations

When does Interchangeability apply?

- “Any service retirement benefits earned by a law enforcement officer...which are substantially similar or equal are interchangeable.” (5 M.R.S. Section 17856)
- “Substantially similar or equal” typically means:
 - the member can retire with the same service and/or age under both plans
 - there is no added cost (i.e., increased liability) for the service under the plans to be combined
 - the “value” of the benefit is the same under either plan
 - this can also occur when a member moves from a more favorable plan to a less favorable plan

What are the advantages of Interchangeability?

- Service retirement eligibility and benefit calculations are based on all periods of membership combined
- For many members, combining service under multiple plans eliminates the application of an early retirement reduction and/or requiring the member to work extra years to become eligible to retire

State-Sponsored Plans - Portability

What is Portability of benefits?

- Service and benefits earned under one employer are moved to a different employer with which the member participates
- Service and benefits earned under one plan are moved to a different plan in which the member participates

When does Portability apply?

- All service in the Regular Plan as either a state employee or teacher member is portable (e.g., combines for eligibility and benefit calculation purposes)
- An employer may elect to pay the cost to port service for a member (5 M.R.S. Section 17656(1)(B))
- A law enforcement officer or firefighter may elect to pay the cost to port their service (5 M.R.S. Section 17656(1)(D))

State-Sponsored Plans – Portability, cont'd

How are eligibility and benefits determined without Portability?

- The member must meet eligibility requirements of the plan from which the member is retiring, which typically does not include service that is not portable
- Benefits are calculated separately for each employer/plan, with applicable early retirement reductions applied

How are benefits determined with Portability?

- All service counts towards meeting the eligibility requirements of the plan from which the member is retiring
- Benefits are fully calculated based on the provisions of the plan from which the member is retiring

What are the costs of Portability?

- The increased liability that results from considering the service in the prior plan as part of the new plan

State-Sponsored Plans – Legislative Efforts

Every session there are efforts to make changes to the State-Sponsored Plans, such as to:

- Change certain provisions, such as:
 - Cost-of-Living
 - Early Retirement
- Change plan coverage, such as:
 - Move groups from the Regular Plan to a Special Plan
 - Change how service is treated under a Special Plan
 - Move groups from a Special Plan to a different Special Plan

It is anticipated that discussions will continue regarding the many sub-plans that currently exist and how plans might be better constructed to allow for increased interchangeability and portability across those sub-plans.

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS
FROM: DR. REBECCA M. WYKE, CEO
SHERRY VANDRELL, CHIEF FINANCIAL OFFICER
SUBJECT: FY24 OPERATING BUDGET
DATE: MARCH 4, 2024

Members of the Finance and Audit Committee considered a request for a budget adjustment to address shortfalls in the personnel budget for FY24 at their meeting in February.

POLICY REFERENCE

[Board Policy 1.6 – Finance and Audit Committee of the Board](#)

[Board Policy 5.4 – Budgeting, Spending, and Reporting](#)

FY24 BUDGET ADJUSTMENT REQUEST

Members of the Finance and Audit Committee met to consider a budget adjustment request for the FY24 operations budget to address a projected shortfall in the personnel budget. This shortfall is the result of an improvement in our recruitment and retention experience, and the successful use of overtime and project staff to assist with managing backlogs of work. The adjustment will allow us to continue work on the backlogs of work utilizing all resources available to us. Additional details related to the makeup of the shortfall and the request itself are included in the finance and audit committee material for the February meeting which is available on your portal.

RECOMMENDATION

Authorize the Chief Financial Officer to transfer \$232,000 from the FY24 investment operations budget to the FY24 administrative operations budget resulting in a revised FY24 investment operations budget of \$6,437,040 and a revised FY24 administrative operations budget of \$19,402,306.

MAINEPERS

BOARD OF TRUSTEES LEGISLATIVE MEMORANDUM

TO: BOARD MEMBERS
FROM: KATHY MORIN, DIRECTOR, ACTUARIAL AND LEGISLATIVE AFFAIRS
SUBJECT: LEGISLATIVE UPDATE
DATE: MARCH 6, 2024

The Second Regular Session of the 131st Legislature convened on January 3, 2024. Statutory adjournment for this session is April 17, 2024. We will review proposed bills as they are printed and will bring bills to you that either could directly affect the System or are otherwise of interest. We are also including in this update the relevant bills that were carried over from the First Special Session that will be considered in the Second Regular Session.

Updates from prior reports are shown italicized and underlined.

POLICY REFERENCE

[Board Policy 3.1 – Reporting](#)

[Board Policy 3.2 – Legislation](#)

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communications and Support to the Board](#)

BILLS ENACTED INTO LAW IN FIRST SPECIAL SESSION WITH FUTURE EFFECTIVE DATES:

CHAPTER 412 (L.D. 258) – STATE BUDGET

Part III of Chapter 412 moves certain employees in the Department of Public Safety, Computer Crime Laboratory or computer crimes unit from the 1998 Special Plan to the 25 year, regardless of age, special plan effective August 1, 2024. The budget included an appropriation of approximately \$1.8 million to pay for the increased liabilities associated with this plan change. The State will also pay the increased normal cost rate associated with the new plan for the impacted employees.

CHAPTER 436 (L.D. 483) – RETROACTIVE SPECIAL PLAN COVERAGE

This law provides retroactive special plan coverage for certain employees of the Department of Corrections. This law is effective July 1, 2024. The bill included an appropriation of approximately \$170 thousand to pay for the increased liabilities associated with this plan change.

BILLS CARRIED OVER – LABOR AND HOUSING COMMITTEE**L.D. 550 – CORRECTIONAL OFFICER BENEFITS**

This concept draft proposes to increase benefits for correctional officers, including changing the special plan by which they are covered. A public hearing was held on May 9, 2023 before the Criminal Justice and Public Safety Committee. The bill was subsequently referred to the Labor and Housing Committee. A work session was held on January 25, 2024, at which the Committee voted unanimously ought not to pass.

L.D. 926 – MAINEPERS REPRESENTATION

The stated intent of this concept draft is to improve MainePERS representation. A public hearing has not yet been held on this bill. *This bill was withdrawn by the sponsor.*

L.D. 1152 – LONG-TERM DISABILITY INSURANCE

This bill requires the Board to offer long-term disability insurance coverage to participating employers and requires employers to pay the full cost of that coverage. This bill is the version of the proposed legislation included in the November 2022 Long-Term Disability Insurance Implementation Plan that was favored by the labor members of the stakeholder group. A public hearing was held on April 4, 2023, and a work session was held on May 16, 2023. A work session was held on January 25, 2024, at which the Committee voted majority ought to pass. *It is our understanding that discussions are ongoing.*

L.D. 1424 – DEPARTMENT OF CORRECTIONS SPECIAL PLAN

This bill changes the plan by which certain Department of Corrections employees are covered from the 1998 Special Plan to the 25 year, regardless of age special plan. A public hearing was held on April 19, 2023, and a work session was held on May 17, 2023. The cost of this plan change is estimated to be approximately \$10.8 million in increased liabilities, which would have to be funded when the change is enacted, and an increase in normal costs, since the normal cost of the new plan is higher than the current plan by which these employees are covered. A work session was held on January 30, 2024, at which the Committee voted unanimously ought

to pass as amended. The amendment will make technical changes to the wording of the bill and also add the fiscal note. The updated fiscal note submitted by the System is \$15.3 million in increased liabilities. This bill is currently before the House and Senate for consideration.

BILLS CARRIED OVER – SPECIAL APPROPRIATIONS TABLE

L.D. 70 – COLA BASE

This bill, as amended, would change the COLA Base, which is the level of benefit that is subject to a cost-of-living adjustment (COLA), to \$40,000. This applies to retirees from the State-sponsored plans. The cost of this plan change is estimated to be approximately \$745 million in increased liabilities, which would have to be funded when the change is enacted, and an increase in normal costs of approximately \$8.8 million annually.

L.D. 185 – TEACHER EARLY RETIREMENT

This bill would change the early retirement reduction that applies to teachers with at least thirty-five years of service credit. The amended bill reduces the early retirement reduction from the current reduction of 6% per year to 5% per year versus the 2% originally proposed in the bill. The cost of this plan change is estimated to be approximately \$12.3 million in increased liabilities, which would have to be funded when the change is enacted, and an increase in normal costs of approximately \$227 thousand annually.

L.D. 426 – MILITARY SERVICE PURCHASE

This bill expands the periods of military service that eligible members may purchase at a subsidized rate. The bill was amended to add a requirement that the System report back on the experience under the new law. The cost of this plan change is estimated to be approximately \$2.6 million in increased liabilities, which would have to be funded when the change is enacted.

L.D. 610 – EXPAND 1998 SPECIAL PLAN – MEDICAL EXAMINER EMPLOYEES

This bill would allow certain employees in the Office of the Chief Medical Examiner who are currently included in the regular plan to be covered instead by the 1998 Special Plan. The bill was amended to change the effective date of special plan coverage to October 1, 2023. The cost of this plan change is estimated to be approximately \$347 thousand in increased liabilities, which would have to be funded when the change is enacted, and an increase in normal costs, since the special plan normal cost rate is higher than the regular plan rate.

L.D. 1096 – COLA CAP

This bill, as amended, would provide an additional 2% cumulative COLA effective September 2022. The cost of this plan change is estimated to be approximately \$182 million in increased liabilities, which would have to be funded when the change is enacted, and a future increase in normal costs, which would be determined as part of future ratemaking.

L.D. 1760 – EXPAND 1998 SPECIAL PLAN – CRISIS WORKERS

This bill would allow certain employees in the Department of Health and Human Services who are currently included in the regular plan to be covered instead by the 1998 Special Plan. The bill was amended to remove a member election that is not permissible under federal law. The cost of this plan change is estimated to be approximately \$1.6 million in increased liabilities, which would have to be funded when the change is enacted, and an increase in normal costs, since the special plan normal cost rate is higher than the regular plan rate.

L.D. 1761 – EXPAND 1998 SPECIAL PLAN – MENTAL HEALTH WORKERS

This bill would allow certain employees in the Department of Health and Human Services who are currently included in the regular plan to be covered instead by the 1998 Special Plan. The bill was amended to remove a member election that is not permissible under federal law. The cost of this plan change is estimated to be approximately \$8.4 million in increased liabilities, which would have to be funded when the change is enacted, and an increase in normal costs, since the special plan normal cost rate is higher than the regular plan rate.

OTHER CARRIED OVER BILLS**L.D. 457 – INCREASED COLA BASE**

This bill was a concept draft carried over by the Taxation Committee. The amended bill includes language to set the COLA Base in 2024 (i.e., for the COLA paid in September 2024) to \$40,000, after which time it would revert back to the level that otherwise would have applied absent this change. The cost of this plan change is estimated to be approximately \$40 million in increased liabilities, which would have to be funded when the change is enacted. A public hearing was held on February 20, and a work session was held on March 5. A divided report is anticipated.

A copy of the sponsor's amendment is included with this memo.

REPORTS

The following required reports have been submitted to the Legislature:

WINDFALL ELIMINATION PROVISION/GOVERNMENT PENSION OFFSET

Resolve, chapter 23, enacted in the First Special Session of the 131st Legislature, directed the System to study and report on the creation and adoption of an interstate compact with other states affected by the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO). A report of recommendations was due on December 6, 2023, and was submitted on November 21, 2023. A copy of the report was previously provided to the Board.

BOARD AND PLD ADVISORY COMMITTEE ACTIVITY

The System is required to report annually to the Secretary of State on activities of the Board of Trustees and the PLD Advisory Committee. These reports were submitted on December 20, 2023, and copies were previously provided to the Board.

ESG POLICY

The System is required to report information annually to the Legislature regarding its environmental, social and governance investment policy. This report must disclose commonly available environmental performance metrics on the environmental effects of the Board's investment. This report was filed on December 19, 2023, and a copy was previously provided to the Board.

DIVESTMENT

The System is required to report information to the Legislature regarding the progress of divestment from fossil fuels and the implementation of the divestment law enacted in 2021 (PL c. 231). This report must be submitted annually by January 1, 2023, 2024 and 2025. The report was submitted on December 19, 2023, and a copy was previously provided to the Board.

PROCUREMENT

The System is required to report information annually to the Legislature regarding procurement, contributions, and changes to certain policies and procedures. This report is due annually by February 1. This report was submitted on January 25, 2024 and a copy was previously provided to the Board. After a public review of this and last year's reports on February 27, 2024, the Labor and Housing Committee issued a report finding no inconsistencies with the relevant statute or policy compliances issues. A copy of the Committee's report is included with this memo.

MILITARY SUBSIDY REPORT

The System is required to report information annually to the Legislature regarding military service credit purchase requests received from certain categories of members. *This report was submitted on February 5, and a copy is included with this memo.*

ANNUAL REPORT TO THE LEGISLATURE

The System is required to submit an annual report to the Legislature, including specific information set out in statute. *This report was submitted on February 29, and a copy is included with this memo.*

OTHER REQUESTED UPDATES

The Labor and Housing Committee requested that the System provide the following information in spring 2024:

- “Update on the member portal, as well as information on future plans by MainePERS to continue phasing in the member portal and the ability of members to access that data going forward.”
- “Update on how these rules (Chapter 506: Eligibility for Disability Retirement Benefits) are being implemented, including any feedback that MainePERS has received from members on the rules.”

These updates were submitted on February 29, and copies are included with this memo.

Revised Amendment to LD 457
Submitted to OFPR by Maura Pillsbury for Sen. Chipman
CHANGES to the 2-12-24 Amendment shown in RED

LD 457

LR 2184

TAX

jsj

2/12/24

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PROPOSAL OF SPONSOR Sen. Chipman

Amend the bill by striking everything after the enacting clause and substituting the following:

Sec. 1. 36 MRSA §5122, sub-§2, ¶M-2 is further amended in subparagraph (2), by adding division (g) to read:

(g) For tax years beginning on or after January 1, 2025, the pension deduction amounts provided for a taxpayer in division (d) are phased out in the same manner as standard deductions are phased out under section 5124-C, subsection 2 with the pension deduction amount being phased out using the same formula that applies to the standard deduction must be reduced by an amount equal to the total pension deduction amount multiplied by a fraction. The numerator of the fraction is the taxpayer's federal adjusted gross income less the applicable amount, except that the numerator may not be less than zero, and the denominator is \$50,000 in the case of a married individual filing a separate return and \$100,000 in all other cases. In no case may the fraction contained in this subsection produce a result that is more than one. The applicable amount used to calculate the numerator in this subsection must be adjusted for inflation in accordance with section 5403, subsection 10.

For purposes of this subparagraph, "applicable amount" means:

1. For single individuals, \$100,000;
2. For individuals filing as heads of households, \$150,000;
3. For individuals filing married joint returns or surviving spouses, \$200,000; or
4. For married individuals filing separate returns, 1/2 of the applicable amount under number 3.

NEW SECTION

Sec. 2. 36 MRSA §5403, sub-§10 is enacted to read:

10. Beginning in 2025 and each year after, by the dollar amount of the applicable amounts contained in section 5122, subsection 2, paragraph M-2, division g, except that for the purposes of this subsection, notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the Chained Consumer Price Index for the 12-month period ending June 30th of the preceding calendar year divided by the Chained Consumer Price Index for the 12-month period ending June 30, 2024.

Sec. 23. 5 MRSA §17806, sub-§1, ¶A is amended to read:

A. Except as provided in paragraphs A-1, A-2, ~~and A-3~~ and A-4, whenever there is a percentage increase in the Consumer Price Index from July 1st to June 30th, the board shall automatically make an equal percentage increase in retirement benefits, beginning in September, up to a maximum annual increase of 3%. Effective July 1, 2011, the increase applies to that portion of the retirement benefit up to \$20,000, which amount must be indexed in subsequent years by the same percentage adjustments granted under this section. Effective July 1, 2022, the increase applies to that portion of the retirement benefit up to \$24,186.25, which amount must be indexed in subsequent years by the same percentage adjustments granted under this section.

Sec.34. 5 MRSA §17806, sub-§1, ¶A-4 is enacted to read:

A-4. For cost-of-living adjustments awarded in fiscal year 2024-2025 only, the increase applies to that portion of the retirement benefit up to \$40,000.

Summary

This amendment replaces the bill and establishes a phaseout of the pension deduction under the income tax ~~in the same manner as the standard deduction based on the income of the taxpayer~~ for nonmilitary pensions over \$100,000 for individuals, \$150,000 for heads of households, and \$200,000 for those married filing jointly. This amendment adjusts these amounts for inflation in future years. This amendment also provides that for the cost-of-living adjustment awarded to retired state employees and teachers and their beneficiaries in fiscal year 2024-2025 only, which is paid in September 2024, the adjustment applies to the first \$40,000 of the retirement benefit. Effective July 1, 2025, the increase applies to the portion that otherwise would have been in effect absent this one-time change.

SENATE

MICHAEL TIPPING, DISTRICT 8, CHAIR
MATTHEA E.L. DAUGHTRY, DISTRICT 23
MATTHEW G. POULIOT, DISTRICT 15



HOUSE

AMY J. ROEDER, BANGOR, CHAIR
TRACI GERE, KENNEBUNKPORT
VALLI D. GEIGER, ROCKLAND
RONALD B. RUSSELL, VERONA ISLAND
MARC G. MALON, II, BIDDEFORD
CHARLES A. SKOLD, PORTLAND
RICHARD T. BRADSTREET, VASSALBORO
GARY A. DRINKWATER, MILFORD
JOSEPH C. GALLETTA, DURHAM
MICHAEL SOBOLESKI, PHILLIPS

STEVE LANGLIN, LEGISLATIVE ANALYST
MARIA RODRIGUEZ, COMMITTEE CLERK

STATE OF MAINE
ONE HUNDRED AND THIRTY-FIRST LEGISLATURE
COMMITTEE ON LABOR AND HOUSING

MEMORANDUM

TO: Senator Craig V. Hickman, Senate Chair
Representative Jessica Fay, House Chair
Government Oversight Committee

FROM: Senator Mike Tipping, Senate Chair *MT*
Representative Amy Roeder, House Chair *AR*
Joint Standing Committee on Labor and Housing

DATE: February 27, 2024

RE: Review of the Maine State Housing Authority, Workers' Compensation Board and Maine Public Employees Retirement System pursuant to 5 MRSA §12023, sub-§3

We are pleased to report the results of the Joint Standing Committee on Labor and Housing's review of Maine Public Employees Retirement System (MainePERS), Maine State Housing Authority (MaineHousing) and the Workers' Compensation Board (WCB) pursuant to the laws governing quasi-independent state entities in Title 5, chapter 379, subchapter 3 of the Maine Revised Statutes.

As required by Title 5, section 12023, subsection 3, the committee met to review each quasi-independent entity's annual report to the Legislature for the previous two calendar years to assess whether policies adopted by each entity are consistent with the requirements of Title 5, section 12022, subsections 3 to 5, and whether reported waivers of competitive procurement and contributions comply with adopted policies.

After review, the committee is pleased to report that the committee did not find any inconsistencies between the entities' policies and procedures and that the committee did not find any of the entities' reported waivers of competitive procurement and reported contributions to be out of compliance with the policies and procedures.

Thank you for your opportunity to report to you on these matters.

cc: Members, Government Oversight Committee
Members, Joint Standing Committee on Labor and Housing

Peter Schleck, Director, Office of Program Evaluation and Government Accountability
Danielle D. Fox, Director, Office of Policy and Legal Analysis
Dan Brennan, Director, Maine State Housing Authority
Erik Jorgensen, Senior Director of Government Relations and Communications, Maine State Housing Authority
Linda Grotton, Director of Internal Audit, Maine State Housing Authority
John Rohde, Executive Director, Maine Workers' Compensation Board
Rebecca M. Wyke, Chief Executive Officer, Maine Public Employees Retirement System
Michael Colleran, General Counsel, Maine Public Employees Retirement System
Kathy Morin, Manager of Actuarial and Legislative Affairs, Maine Public Employees Retirement System

February 5, 2024

Senator Michael Tipping, Senate Chair
Representative Amy Roeder, House Chair
Members, Joint Standing Committee on Labor and Housing
100 State House Station
Augusta, ME 04333-0100

Senator Margaret Rotundo, Senate Chair
Representative Melanie Sachs, House Chair
Members, Joint Standing Committee on Appropriations and Financial Affairs
5 State House Station
Augusta, ME 04333-0005

Dear Senator Tipping, Representative Roeder, and Members of the Committee on Labor and Housing; Senator Rotundo, Representative Sachs, and Members of the Committee on Appropriations and Financial Affairs:

Please accept the Maine Public Employees Retirement System's (MainePERS) report prepared in response to 5 M.R.S. § 17760(6), which requires MainePERS to submit information annually to the Legislature regarding military service credit purchase requests received from certain categories of members.

Under Maine law, eligible members may purchase military service credit toward increasing their total service credit and thus increasing their overall retirement benefit. There are two methods by which the cost to purchase military service credit is calculated. Under one method, the member is required to pay only the member contributions related to the time being purchased. The remainder of the cost, that is, the difference between the cost the member must pay and the full actuarial cost of the additional service credit, is added to the liabilities of the plan. This is commonly referred to as paying a "subsidized rate." Under the second method, the member pays the full actuarial cost associated with the additional service credit. The purchase of military service credit by a member under this alternative results in no costs to the plan.

In accordance with 5 M.R.S. § 17760(3)(A)(3), recipients of specific military awards and medals may purchase military service credit to be used toward a retirement benefit at a subsidized cost only if MainePERS has received an appropriation in the amount of the difference between the actuarial cost of that member's military service credit and the subsidized amount that would be paid by the member under 5 M.R.S. § 17713(2).

Title 5 M.R.S. § 17760(6)(A) requires MainePERS to report the following information annually to the Legislature:

- (1) The amount, if any, in the account maintained for the purposes of this subsection;
- (2) The cost to subsidize the purchase of service credit under this subsection for members who applied and were determined eligible in the calendar year immediately preceding the report; and

- (3) The cost to subsidize the purchase of service credit under this subsection for members who applied and were determined eligible in each of the calendar years before the immediately preceding calendar year for which full appropriations were not made.

The following chart provides information regarding requests and associated costs for members who have been found eligible to purchase military service credit, contingent upon the required appropriation, who have not yet made the purchase.

Calendar Year	Number of Requests	Subsidy Cost
2016	1	\$ 93,356.72
2018	1	\$ 42,873.98
2020	2	\$ 150,857.55
Total	4	\$ 287,088.25

Total Subsidy Cost	\$ 287,088.25
Beginning Account Balance	(\$ 30,541.30)
Remaining Subsidy Cost	\$ 256,546.95

The beginning account balance stated above includes funds previously appropriated for members determined to be eligible for this subsidy. Some of those members subsequently declined to purchase their military service credit or were found eligible to complete the purchase without the subsidy, and the funds have remained in the account.

The following chart provides information regarding the history of the funding of subsidized military service purchases under 5 M.R.S. § 17760(6).

Date	Amount Appropriated	Covered Members
FY 2009-10	\$ 55,600	2*
FY 2011-12	\$ 116,617	1
FY 2013-14	\$ 282,404	3
FY 2015-16	\$ 98,983	2*
FY 2016-17	\$ 262,893	3*
Total	\$ 816,497	11

*Some members for whom funds were appropriated did not complete the purchase or were found eligible to complete the purchase without the subsidy.

Please let us know if you have any questions about this report.

Sincerely,



Kathy J. Morin
Director, Actuarial and Legislative Affairs

cc: Dr. Rebecca M. Wyke, Chief Executive Officer
Michael J. Colleran, Chief Operating Officer and General Counsel
Rachel Tremblay, Office of Fiscal and Program Review
Maureen Dawson, Office of Fiscal and Program Review
Steven Langlin, Office of Policy and Legal Analysis

February 29, 2024

Senator Michael Tipping, Senate Chair
Representative Amy Roeder, House Chair
Members, Joint Standing Committee on Labor and Housing
100 State House Station
Augusta, ME 04333-0100

Senator Tipping, Representative Roeder and Members of the Joint Standing Committee on Labor and Housing:

Please accept the Maine Public Employees Retirement System’s (“MainePERS” or “System”) annual report to the Joint Standing Committee on Labor and Housing. This report is prepared in response to 5 M.R.S. §17103, sub-§11 requiring the MainePERS Board of Trustees to submit a written report about the Maine Public Employees Retirement System to the appropriate legislative committee each year by March 1. The System’s Annual Comprehensive Financial Report (ACFR), copies of which have been provided to the Committee and which is available at www.maineopers.org, provides detailed information that supplements this report.

We are pleased to provide this information. Except where indicated, this report is based on operations through June 30, 2023.

INVESTMENTS

The market value of the System’s defined benefit plans trust fund at June 30, 2023 was \$18.8 billion. The net position of the trust fund increased as net investment earnings and contributions for the fiscal year exceeded payments to retirees. The market value investment return for calendar year 2023 was 8.2%. The fund return through the first seven months of FY 2024 ending January 31st was 3.4%.

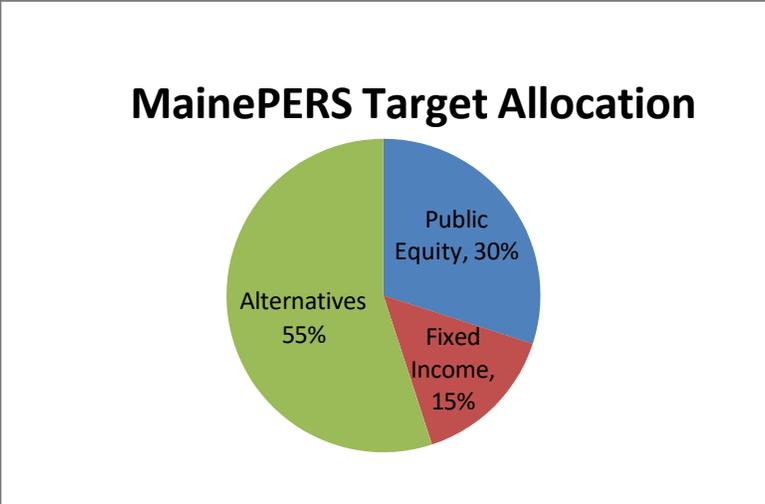
Fiscal Year Ending	Fund Value	Investment Return*
June 30, 2021	\$18.1B	26.5%
June 30, 2022	\$18.3B	3.3%
June 30, 2023	\$18.8B	4.7%

*Refers to performance of the investments, not the change in Fund Value

Annualized market value returns, net of management fees, for the 3-year, 5-year, 10-year, and 30-year periods ending on June 30, 2023 were 11.0%, 8.4%, 8.3%, and 7.7%, respectively. The 30-year return includes the 2000-2002 and 2008-2009 market downturns.

Consistent with past practice, the asset values and investment returns in this section are as reported by the System’s custodian, JP Morgan. These reported figures are based in part on lagged values for the System’s private market investments, which typically report values on a delayed basis.

In 2017, the System changed its target asset allocation to 30% publicly traded stocks, 15% fixed income investments, and 55% alternative investments. This change was forward looking and designed to balance risk and returns in current and near-term future markets. The alternative investments allocation includes 10% in infrastructure, 12.5% in private equity, 10% in real estate, 10% in alternative credit, and 5% in natural resources. In addition, the Board of Trustees has approved a 7.5% allocation to risk diversifiers that seek sound investment strategies providing diversification away from public market risks. Alternative assets represented approximately 62% of the System’s portfolio at June 30, 2023. While above target, the value of alternatives remains within the System’s policy range for these asset classes.



MainePERS maintains a substantial portion of the fund in return-seeking assets such as publicly traded equities and private equity. This is because most of the System’s benefit payments are not due for several decades into the future and current fund liquidity is strong enough to withstand a full-range of market scenario testing. For decades the System has invested between 60% and 70% of its assets in equities and similar return-seeking investments. Over sufficiently long periods, equities have been shown to outperform bonds. The System expects this relationship to hold in the future.

All of the assets of the System’s retirement plans and other funds are in portfolios managed by professional investment management firms. These managers act as fiduciaries and invest the assets assigned to them in accordance with the System’s investment policies and the individual agreements between MainePERS and the investment managers.

The 123rd Legislature created the Retiree Health Insurance Post-Employment Benefits (RHIPB) Investment Trust in FY 2008 for the purpose of investing funds set aside by the State of Maine to cover liabilities related to retiree health insurance benefits. MainePERS Trustees were named Trustees for this Investment Trust and have the responsibility for investing these funds. As of June 30, 2023, the market value for the RHIPB Trust assets was \$535.7 million. Of this amount, \$432.7 million is held in trust for retired State workers, and \$103.0 million is held in trust for retired teachers. These amounts include \$65 million for retired State workers and \$103 million for retired teachers received on June 30, 2023.

¹ A copy of this report will be sent to the State and the trustees of the Irrevocable Trust Fund for Other Post-Employment Benefits in accordance with 5 M.R.S. § 17435(7).

PROGRAM FUNDING

Funding Status of the State Employee and Teacher Retirement Program

The actuarial funded status of the State Employee and Teacher Retirement Program, or the ratio of plan assets to plan liabilities, increased in FY 2023 from 83.9% to 85.0%. The funding ratio ten years ago, by comparison, was 77.6%.

The unfunded actuarial liability (UAL) of the State Employee and Teacher Retirement Program decreased in FY 2023 from \$2.734 billion at June 30, 2022 to \$2.631 billion at June 30, 2023.

Investment returns on an actuarial value of assets basis were 7.15% for FY 2023. This is higher than the actuarial investment return assumption of 6.50%, resulting in an actuarial gain to the plan. Please see the MainePERS Annual Comprehensive Financial Report for an understanding of the difference between market and actuarial values. (See the Investments section above for market returns.)

Funding Status of the Legislative Retirement Program

The Legislative Retirement Program was funded at 144.5% as of June 30, 2023, primarily because few legislators qualify for a retirement benefit under the terms of the program. No employer contribution is currently required because of the overfunded status of the program.

Funding Status of the Judicial Retirement Program

The actuarial funded ratio of the Judicial Retirement Program has in recent years remained close to 100%. As of June 30, 2023, the actuarial funded ratio was 109.9%.

Funding Status of the Participating Local District Consolidated Retirement Plan

The Participating Local District Consolidated Retirement Plan (PLD Plan) consisted of 335 participating local districts at December 31, 2023. The actuarial funded ratio of the Plan was 91.2% at June 30, 2022 and remained 91.2% at June 30, 2023. The Participating Local District Advisory Committee continuously monitors the PLD Plan to ensure that it maintains a strong fiscal condition.

OPERATIONS

Strategic Planning

In August 2022, the MainePERS Board of Trustees adopted a 5-year strategic plan, which articulated the following long-term strategic goals and short-term, legislatively directed objectives:

Goals

- Preservation of the Trust Fund
- Stability of the contribution rates
- Security and integrity of our information systems
- Cultivation of a member-centric organization

- Development of stakeholder relations
- Foster an engaged workforce that advances the organization's mission

Objectives

- Planning for the post-2028 full funding of the Unfunded Actuarial Liability (UAL), including potential public pension plan options that include social security (Resolves 2021, c. 66 & 72)
- Responding to the recent divestment legislation (PL 2021, c. 231 & 234)
- Expanding the availability of defined contribution plans to teachers (PL 2021, c. 548)
- Exploring mandatory long-term disability insurance coverage (PL 2021, c. 277)

As part of the strategic planning process, MainePERS also revised its mission and vision statements and established a set of organizational values. The 5-Year Strategic Plan was developed with broad input. MainePERS sought and received input from its Board of Trustees, staff, members (active contributing members, inactive members, retired members, and beneficiaries), stakeholders (representatives of employers and members) and the public. Input from these groups was gathered through use of a survey tool, a public comment meeting, and individual meetings.

Mission

MainePERS partners with public employers to deliver retirement and related services.

Vision

MainePERS is a trusted and effective fiduciary focused on meeting the needs of active and retired members, beneficiaries, and employers.

Organizational Values

- Accountability – We act with integrity. We educate, equip, and empower all to consistently deliver knowledgeable and respectful service to our constituents and colleagues.
- Respect – We are mindful of culture and diversity in all we do, exercising empathy, compassion, kindness, and appreciation in valuing all others.
- Collaboration – We work together, proactively sharing information and knowledge and acting transparently in all interactions.
- Stewardship – We secure and safeguard assets (data, funds) entrusted to our care and consistently comply with our obligations to ensure benefits are sustained.
- Agility – We strive for personal and organizational excellence through continuous improvement.

The MainePERS 5-Year Strategic Plan, key performance and risk measures, and 1-year update are available at: <https://www.mainebers.org/about/strategic-plan/>.

Member Satisfaction Surveys

MainePERS conducted a member satisfaction survey August 15 - 31, 2023. A random selection of 5000 active and retired members from the State Sponsored and Participating Local District Plans were identified to receive the survey.

A copy of the active and retired members' surveys can be found in Attachment 1.

Active Members Survey

MainePERS has approximately 53,000 active members currently employed by a participating employer. In the summer of 2023, 2,500 active members were randomly selected to receive the survey. Those selected had a mailing and email address on file, received a pension contribution from their employer within the last 60 days, and had no disbursement of contributions. One hundred and seventy-two (172) active members responded to the survey, an 8% response rate of those delivered. The confidence level of the survey is between 80% and 85%, with a margin of error = 7.3%.

Of those responding, 46.52% rate their overall satisfaction with MainePERS as “satisfied” or “very satisfied”, 40.7% “neutral” or “no opinion”, and 12.79% “dissatisfied” or “very dissatisfied”. More than half of respondents, 53.49%, stated they “agree” or “strongly agree” that MainePERS acts with integrity, 43.61% “neutral” or “no opinion”, and 2.91% “disagree” or “strongly disagree”. And, 42.11% “agree” or “strongly agree” that MainePERS staff are knowledgeable, 53.21% “neutral” or “no opinion”, and 4.68% “disagree” or “strongly disagree”.

Responses to the survey questions suggest some desire for more frequent communication, information that is easier to understand, and more timely responses to questions raised. Responses also indicated an interest in pre-retirement informational meetings, retirement security planning seminars, and participation in defined contribution plans. In their comments, active members expressed appreciation for the new services available: the member portal, the benefit estimator, and the annual member account statements.

Compared to the 2022 survey results for active members, there were fewer respondents (172 v 236) and a lower response rate (8% v 11%). Respondents generally had more neutral responses, a larger percentage had not vested (25.14% v 11.96%), and fewer had contact with MainePERS within the twelve months preceding the survey (37.21% v 56.6%).

Retired Members Survey

MainePERS has approximately 49,000 retired members. In the summer of 2023, 2,500 retired members were randomly selected to receive the survey. Those selected had a mailing and email address on file and were service retirees who had received a benefit payment within the last 60 days. Five hundred and eighty-five (585) retired members responded to the survey, a 26% response rate of those delivered. The confidence level of the survey is 98%, with a margin of error = 3.9%.

Of those responding, 91.8% rate their overall satisfaction with MainePERS as “satisfied” or “very satisfied”, 6.51% “neutral” or “no opinion”, and 1.7% “dissatisfied” or “very dissatisfied”. Over ninety percent, 91.78%, stated they “agree” or “strongly agree” that MainePERS acts with integrity, 7.36% “neutral” or “no opinion”, and 0.85% “disagree” or “strongly disagree”. And, 79.04% “agree” or “strongly agree” that MainePERS staff are knowledgeable, 19.9% “neutral” or “no opinion”, and 1.03% “disagree” or “strongly disagree”.

Responses to the survey suggest retired members are generally satisfied with frequency of communication, clarity of information, and timeliness of responses to questions raised. Responses also indicated an interest in cybersecurity awareness and preventing identity fraud.

In their comments, retired members expressed concerns about the Social Security Windfall Elimination Provision and the Government Pension Offset, as well as the insufficiency of the annual cost-of-living-adjustments to keep up with inflation. Many retired members also expressed appreciation for the work of MainePERS and its staff.

Compared to the 2022 survey results for retired members, there were more respondents (585 v 415) and a higher response rate (26% v 14%). Respondents were generally consistent with the prior year in the percentage of favorable comments. A smaller percentage of respondents had retired within the past five years (36.48% v 44.44%), and fewer had contact with MainePERS within the twelve months preceding the survey (39.69% v 43.38%).

Employee Satisfaction Survey

MainePERS conducted an employee satisfaction survey January 25 - February 7, 2024. All employees were invited to participate in the survey. Eighty-three (83) employees completed the survey, a 67% response rate. A copy of the survey is attached.

Of those responding, 87% stated that they “agree” or “strongly agree” they are satisfied with their job (compared to 74% in 2023), 11% were neutral, and 2% stated they “disagree” or “strongly disagree”. Ninety-two percent (92%) indicated they “agree” or “strongly agree” they know what is expected of them in their position (compared to 91% in 2023), 6% were neutral, and 2% “disagree” or “strongly disagree”. And, 88% said they “always” or “usually” receive helpful feedback from their supervisor (compared to 81% in 2023), while 8% said “sometimes”, and 4% stated “rarely” or “never”.

Two new questions were added to the survey to assess the climate for inclusivity. Eighty-three percent (83%) stated they “agree” or “strongly agree” that MainePERS is committed to creating an inclusive workplace environment, 17% were neutral, and none stated they “disagree”. And, 80% indicated they feel their ideas are valued and feel safe suggesting them, 12% said “sometimes”, and 8% said “rarely” or “never”.

Responses to the survey suggest optimism that the work culture and environment continue to improve, but also acknowledge there is more work to be done. Some employees also noted the backlogs continue to be burdensome.

A copy of the employee satisfaction survey can be found in Attachment 2.

Qualified Plan Status

In 2014, MainePERS received updated favorable “determination letters” from the Internal Revenue Service stating that all the plans administered by MainePERS continue to qualify for favorable tax treatment under the provisions of the Internal Revenue Code. The IRS subsequently eliminated the cyclical determination letter program and will now issue determination letters only for new or terminating plans and in certain other limited circumstances. MainePERS continues to closely monitor tax law changes to ensure that the pension plans continue to comply with federal law and maintain their qualified status.

Audit

The independent audit of the MainePERS financial statements for the year ended June 30, 2023 resulted in an unmodified opinion. An unmodified opinion means that, in the opinion of the auditor, the financial statements present fairly, in all material respects, the fiduciary net position of the System as of June 30, 2023, in conformity with generally accepted accounting principles.

Awards and Certifications

Government Finance Officers Association Certification - In 2022, the System submitted its FY 2022 Annual Comprehensive Financial Report (ACFR) to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program and was awarded the Certificate of Excellence for the nineteenth consecutive year. In order to be awarded this certificate, a governmental unit must publish an easily readable and efficiently organized ACFR, with contents that meet or exceed rigorous program standards and satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid only for one year, and the System's FY 2023 ACFR has been submitted to the GFOA.

Public Pensions Standards Award - In 2023, for the sixteenth consecutive year, the System was awarded the Public Pension Coordinating Council's Recognition Award for Funding. To receive this award, retirement programs must meet professional standards for plan funding as set forth in the Public Pension Standards. The regular flow of required contributions and the up-front funding of new liabilities were listed as factors contributing to the System's receipt of this award.

Member and Retirement Services

MainePERS was serving more than 100,000 active members and retirees as of December 31, 2023. The System approved monthly pension benefits for 1,889 new retirees during CY 2023. This is generally consistent with the number who retired during CY 2022, with 43% of the CY 2023 retirees being teachers.

Required specific statistical information about members and retirees can be found in Attachment 3.

Group Life Insurance

At the end of CY 2023, approximately 53,000 state, teacher and participating local district employees and retirees had group life insurance coverage under the program administered by MainePERS. Many employers pay premium costs to MainePERS in order to fund a "basic" level of coverage for their employees. Additional supplemental and dependent coverage is paid for by participants who elect to have that coverage. MainePERS approved 885 life insurance claims with a value of approximately \$18.8 million in CY 2023.

Employer Reporting

MainePERS relies on participating employers to electronically report earnings, contributions, and work history at least once a month in order to maintain the up-to-date information needed to determine a member's eligibility for retirement benefits and the amount the member will receive as monthly payments. For CY 2023, MainePERS received and processed a wide variety of employer-provided records regarding more than 58,000 public employees who work at one of the more than 600 employer locations served.

MainePERS works closely with employers to support accurate and timely reporting of employment information and contributions. System staff provide employers with training, consultation and written materials to assist in their reporting. System staff work with employers over the phone and via video conference to provide support and training. A formal virtual training program is in place, and 12 virtual sessions were conducted during the year. This is a decrease of approximately 50% from CY 2022 but is the result of combining what was two

different training sessions in past years into one session that is offered once per month. This session is supplemented with virtual and telephone one-to-one support for employers who request it.

The System's website includes a section specifically for employers. The *Employer Update*, an electronic update focused on employer-specific matters, was published four times during CY 2023.

Cost-of-Living Adjustment (COLA)

The Board of Trustees is directed by statute to annually adjust the retirement benefits of its eligible retirees by a cost-of-living adjustment (COLA) equal to the change in the Consumer Price Index for All Urban Consumers (CPI-U) over the 12 months preceding June 30 of each year, subject to certain limitations (Title 5, M.R.S. §17806).

The CPI-U at June 30, 2023 was 3.0%. Eligible retirees from the State Employee and Teacher, Legislative and Judicial retirement programs were granted a regular cost-of-living adjustment of 3.0% on the first \$24,911.84 of benefits.

CY 2023 saw two one-time COLA payments to eligible retirees from the State-sponsored plans. Authorized by the state budgets, eligible retirees received a 1.0% one-time COLA payment in April 2023 and a 3.0% one-time payment in November 2023.

Eligible retirees from the Participating Local District Consolidated Retirement Program were granted a regular cost-of-living adjustment of 2.5% on their entire benefit. Upon a recommendation by the PLD Advisory Committee, the Board of Trustees, through their rulemaking authority, authorized the payment of an additional 0.5% one-time COLA payment for eligible retirees from the PLD Consolidated Retirement Plan. These payments were made in February 2024.

Disability Services

In CY 2023, 99% of applicants were approved for disability retirement at the application stage. This and additional specific statistical information about the disability program can be found in Attachment 4.

MainePERS implemented Public Law 2021, Chapter 277, and filed a separate report on the disability retirement experience of the System and its' members under the new provisions of the law with the Joint Standing Committee on Labor and Housing on January 31, 2023. At the request of the Committee, MainePERS is separately providing an update this year on implementation of new and amended disability rules and member experience. That update includes the following information from the most recent Disability Applicant Experience Survey results: Among those members responding to the survey, approximately 92% either agreed or agreed strongly they were treated respectfully and that MainePERS responded to their questions in a timely manner. In addition, 87% reported they were satisfied or very satisfied the process was fair.

Information Technology (IT)

The MainePERS technology stack underwent upgrades to increase the security posture of its infrastructure and add some additional networking services. Activities in CY 2023 included the following:

CyberArk. This project started in 2022 and finished in 2023 and enables MainePERS IT vendors to easily access our computing environment securely while also allowing the retirement of antiquated key-fob and password management. CyberArk provides intelligent privilege controls for secure access to designated systems.

Wireless Infrastructure Upgrades. MainePERS completed an upgrade to the wireless infrastructure in the Augusta and Portland offices. The upgrade increased overall wireless bandwidth and signal coverage.

Brunswick Data Center Upgrades. MainePERS completed multiple upgrades to the Brunswick Data Center. MainePERS increased the Oracle capacity to allow for faster real-time replication and more storage. This upgrade will enable more productivity in the event of an interruption of service at the Augusta Data Center.

Microsoft Dynamics Upgrade. MainePERS completed an upgrade of the Microsoft Dynamics Accounting systems.

Govenda Board Software. MainePERS deployed its first cloud based technology solution in 2023. Govenda Board management solution provides a single software that organizes board meeting agendas, documents, meeting details and Board Member communication.

Member Self Service Portal. MainePERS configured and implemented MainePERS' first Member Self Service Portal. The Member Portal enables Members and Retirees to access their account, retrieve documents and update demographic information.

DEFINED CONTRIBUTION PLANS

MaineSTART

The System continues to promote to its Participating Local District (PLD) employers tax advantaged defined contribution/deferred compensation retirement plans established under sections 401(a), 403(b) and 457(b) of the Internal Revenue Code, collectively referred to as MaineSTART. In 2022, legislation authorized MainePERS to expand the program to teachers. MaineSTART offers a group of Vanguard funds designed to be low cost and easy to understand. At the close of CY 2023, the total number of employers that offered access to MaineSTART was 87 with a total of 1,737 employees participating in the program. This represents approximately a 6.9% increase in employee participation over CY 2022.

BUDGET

The System's administrative costs and expenses are directly charged against the assets of the applicable program. The System's budgeted operating expenses are approved by the Board of Trustees prior to the start of each fiscal year.

The FY 2024 Board-approved administration budget is \$19,170,306. Required specific information about the budget and administrative expenses can be found in Attachments 5 and 6. Required specific information about employee and employer contributions can be found in Attachment 7.

CONCLUSION

Please accept this report on behalf of the Maine Public Employees Retirement System. We welcome questions and are happy to address them as the Committee requests and in the format desired.

Respectfully submitted,



Dr. Rebecca M. Wyke
Chief Executive Officer

RMW/mg

Attachments

cc: Members, Board of Trustees
Suzanne Gresser, Executive Director, Legislative Council
Rachel Tremblay, Office of Fiscal and Program Review
Steven Langlin, Office of Policy and Legal Analysis

MAINEPERS**BOARD OF TRUSTEES MEMORANDUM**

TO: BOARD MEMBERS
FROM: DR. REBECCA M. WYKE, CEO
SUBJECT: MAINEPERS 2023 MEMBER SATISFACTION SURVEY
DATE: OCTOBER 3, 2023

POLICY REFERENCE

[Board Policy 5.2 – Service to Members, Retirees, Employers and Stakeholders](#)

MainePERS conducted a member satisfaction survey August 15 – 31, 2023. A random selection of 5000 members from the State Sponsored and Participating Local District Plans were identified to receive the survey. A copy of the active and retired member surveys are attached.

Active Members Survey

MainePERS has approximately 53,000 active members currently employed by a participating employer. In the summer of 2023, 2,500 active members were randomly selected to receive the survey. Those selected had a mailing and email address on file, received a pension contribution from their employer within the last 60 days, and had no disbursement of contributions. One hundred and seventy-two (172) active members responded to the survey, an 8% response rate of those delivered. The confidence level of the survey is between 80% and 85%, with a margin of error = 7.3%

Of those responding, 46.52% rate their overall satisfaction with MainePERS as “satisfied” or “very satisfied”, 40.7% “neutral” or “no opinion”, and 12.79% “dissatisfied” or “very dissatisfied”. More than half of respondents, 53.49%, stated they “agree” or “strongly agree” that MainePERS acts with integrity, 43.61% “neutral” or “no opinion”, and 2.91% “disagree” or “strongly disagree”. And, 42.11% “agree” or “strongly agree” that MainePERS staff are knowledgeable, 53.21% “neutral” or “no opinion”, and 4.68% “disagree” or “strongly disagree”.

Responses to the survey questions suggest some desire for more frequent communication, information that is easier to understand, and more timely responses to questions raised. Responses also indicated an interest in pre-retirement informational meetings, retirement security planning seminars, and participation in defined contribution plans. In their comments, active members expressed appreciation for the new services available: the member portal, the benefit estimator, and the annual member account statements.

Compared to the 2022 survey results for active members, there were fewer respondents (172 v 236) and a lower response rate (8% v 11%). Respondents generally had more neutral responses,

a larger percentage had not vested (25.14% v 11.96%), and fewer had contact with MainePERS within the twelve months preceding the survey (37.21% v 56.6%).

Retired Members Survey

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Responses to the survey suggest retired members are generally satisfied with frequency of communication, clarity of information, and timeliness of responses to questions raised. Responses also indicated an interest in cybersecurity awareness and preventing identity fraud.

In their comments, retired members expressed concerns about the Social Security Windfall Elimination Provision and the Government Pension Offset, as well as the insufficiency of the annual cost-of-living-adjustments to keep up with inflation. Many retired members also expressed appreciation for the work of MainePERS and its staff.

Compared to the 2022 survey results for retired members, there were more respondents (585 v 415) and a higher response rate (26% v 14%). Respondents were generally consistent with the prior year in the percentage of favorable comments. A smaller percentage of respondents had retired within the past five years (36.48% v 44.44%), and fewer had contact with MainePERS within the twelve months preceding the survey (39.69% v 43.38%).

RECOMMENDATION

No Board action is recommended at this time.



MainePERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

2023 Member Satisfaction Surveys

Dr. Rebecca Wyke, CEO

Member Satisfaction Survey

August 15 - 31, 2023

Actives

- ▶ Approx. 53,000
- ▶ Random selection of 2500 members
- ▶ 172 respondents
- ▶ 8% response rate
- ▶ 80% confidence level

Retirees

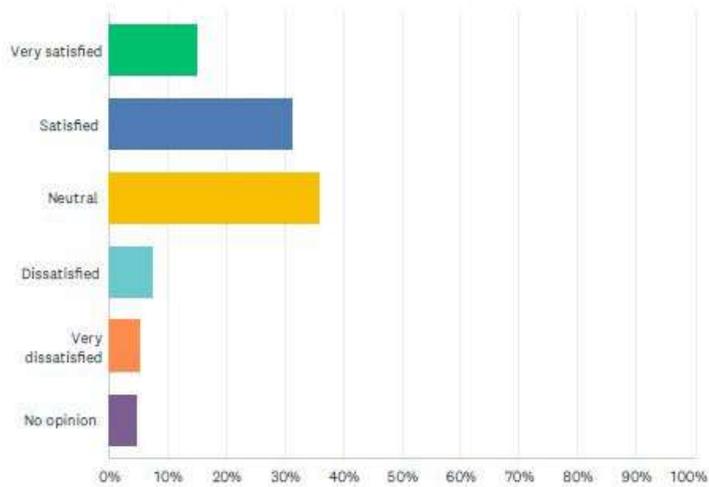
- ▶ Approx. 49,000
- ▶ Random selection of 2500 members
- ▶ 585 respondents
- ▶ 26% response rate
- ▶ 98% confidence level

2023 Active Member Survey

Member Satisfaction Survey - August 2023 (Member)

Q1 Please rate your overall satisfaction with MainePERS

Answered: 172 Skipped: 0

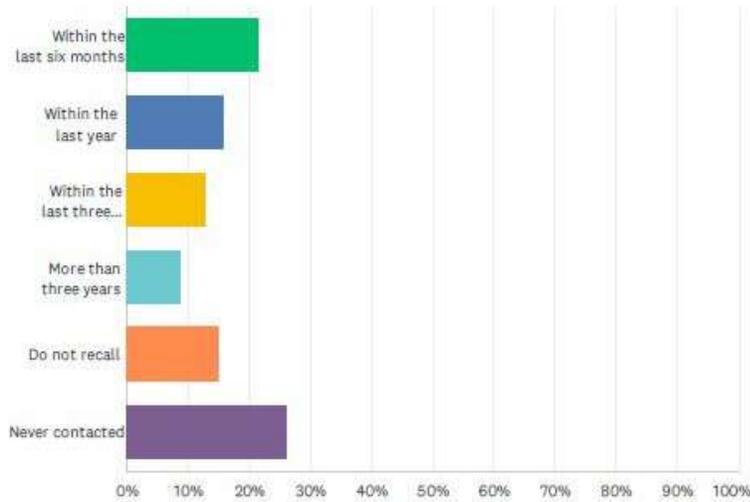


ANSWER CHOICES	RESPONSES	
Very satisfied	15.12%	26
Satisfied	31.40%	54
Neutral	36.05%	62
Dissatisfied	7.56%	13
Very dissatisfied	5.23%	9
No opinion	4.65%	8
TOTAL		172

Member Satisfaction Survey - August 2023 (Member)

Q2 When was the last time you contacted MainePERS?

Answered: 172 Skipped: 0

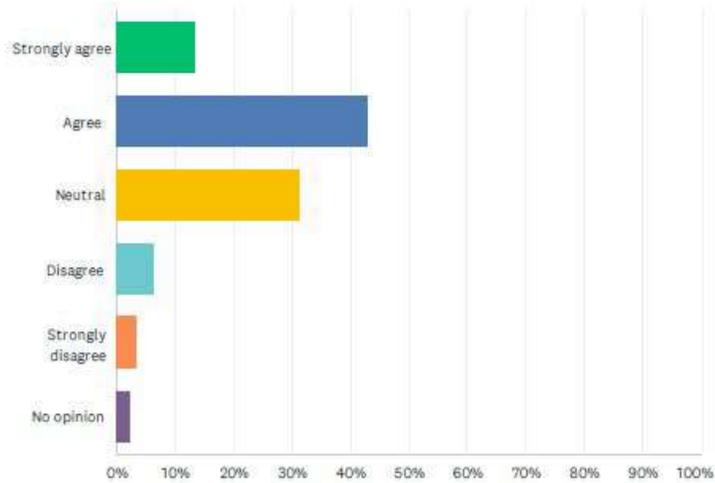


ANSWER CHOICES	RESPONSES	
Within the last six months	21.51%	37
Within the last year	15.70%	27
Within the last three years	12.79%	22
More than three years	8.72%	15
Do not recall	15.12%	26
Never contacted	26.16%	45
TOTAL		172

Member Satisfaction Survey - August 2023 (Member)

Q3 I am confident my MainePERS retirement is secure and will be there for me

Answered: 172 Skipped: 0

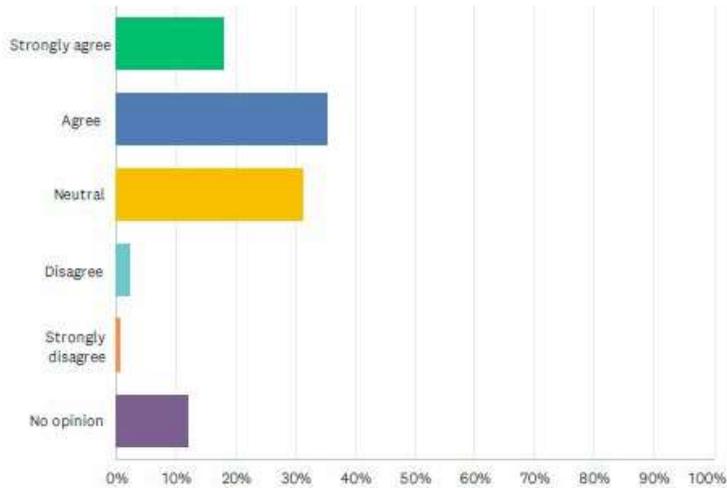


ANSWER CHOICES	RESPONSES
Strongly agree	13.37% 23
Agree	43.02% 74
Neutral	31.40% 54
Disagree	6.40% 11
Strongly disagree	3.49% 6
No opinion	2.33% 4
TOTAL	172

Member Satisfaction Survey - August 2023 (Member)

Q4 MainePERS acts with integrity

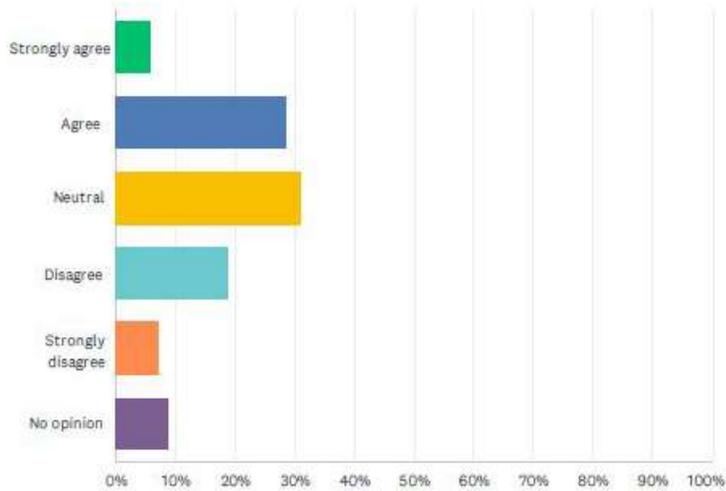
Answered: 172 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	18.02%	31
Agree	35.47%	61
Neutral	31.40%	54
Disagree	2.33%	4
Strongly disagree	0.58%	1
No opinion	12.21%	21
TOTAL		172

Q5 The frequency with which MainePERS communicates with me meets my expectations

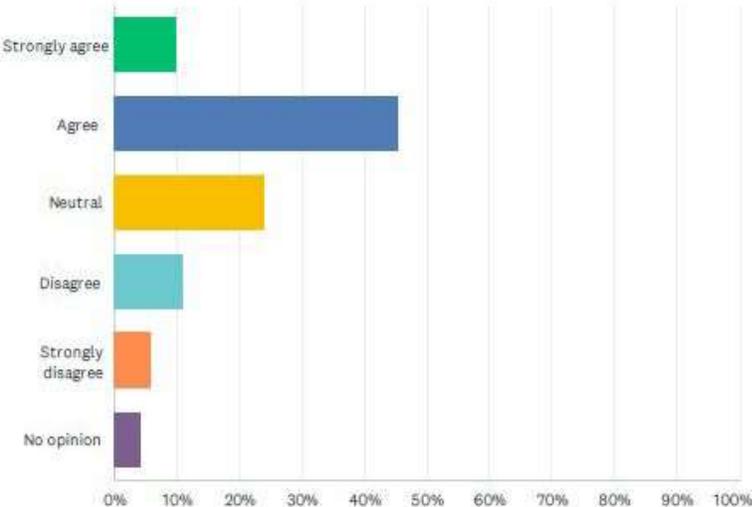
Answered: 171 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	5.05%	10
Agree	28.65%	49
Neutral	30.99%	53
Disagree	18.71%	32
Strongly disagree	7.02%	12
No opinion	8.77%	15
TOTAL		171

Q6 Information I receive from MainePERS is easy to understand

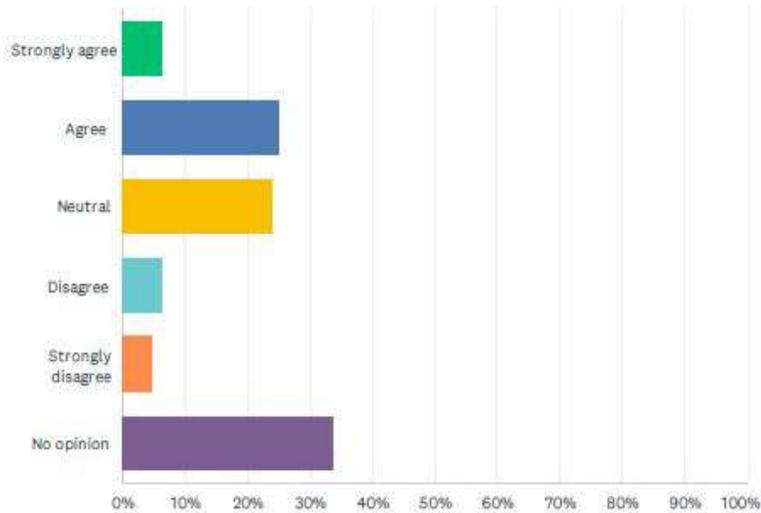
Answered: 172 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	9.88%	17
Agree	45.35%	78
Neutral	23.84%	41
Disagree	11.05%	19
Strongly disagree	5.81%	10
No opinion	4.07%	7
TOTAL		172

Q7 MainePERS responds to my questions in a timely manner

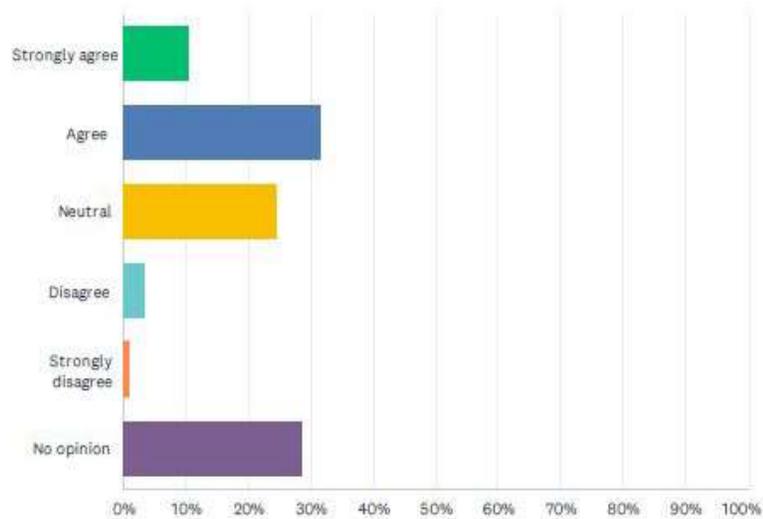
Answered: 172 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	6.40%	11
Agree	25.00%	43
Neutral	23.84%	41
Disagree	6.40%	11
Strongly disagree	4.65%	8
No opinion	33.72%	58
TOTAL		172

Q8 MainePERS Staff are knowledgeable

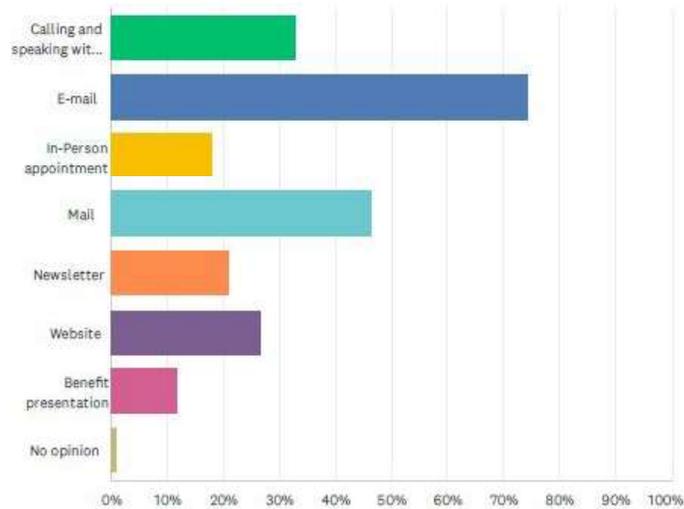
Answered: 171 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	10.53%	18
Agree	31.58%	54
Neutral	24.56%	42
Disagree	3.51%	6
Strongly disagree	1.17%	2
No opinion	28.65%	49
TOTAL		171

Q9 I prefer to receive information from MainePERS by this method:
(Please select up to three options)

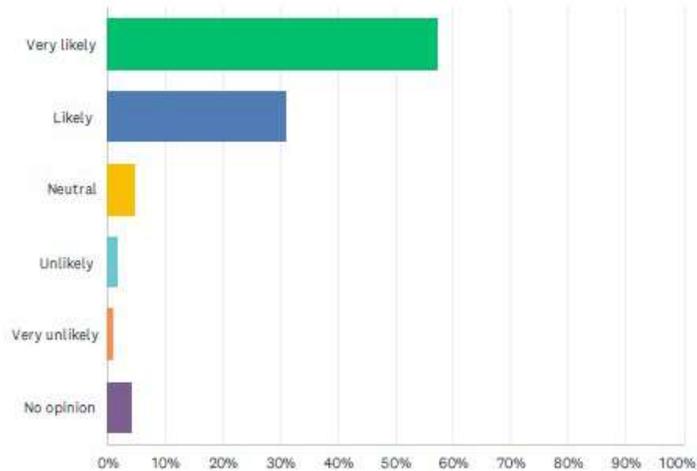
Answered: 172 Skipped: 0



ANSWER CHOICES	RESPONSES	
Calling and speaking with a Member Services Representative	33.14%	57
E-mail	74.42%	128
In-Person appointment	18.02%	31
Mail	46.51%	80
Newsletter	20.03%	36
Website	26.74%	46
Benefit presentation	11.63%	20
No opinion	1.16%	2
Total Respondents: 172		

Q10 How likely is it that you will use the MainePERS Member Portal (offering convenient online access to your account information) when it is made available to you?

Answered: 171 Skipped: 1

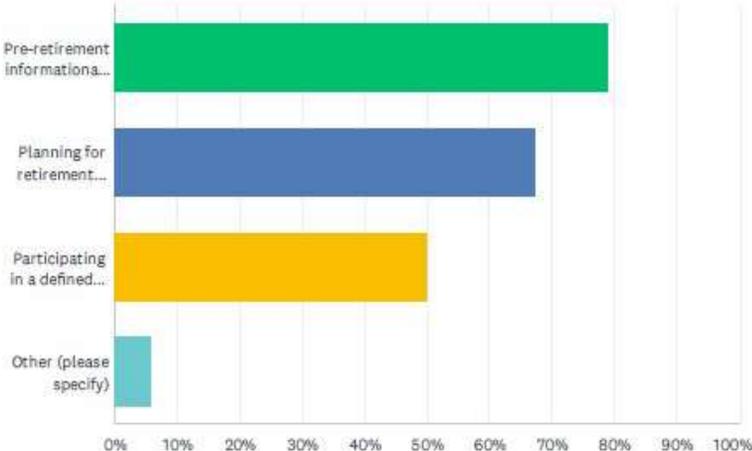


ANSWER CHOICES	RESPONSES	
Very likely	57.31%	98
Likely	30.99%	53
Neutral	4.68%	8
Unlikely	1.75%	3
Very unlikely	1.17%	2
No opinion	4.09%	7
TOTAL		171

Member Satisfaction Survey - August 2023 (Member)

Q11 From the items below, please check items which you would be interested in (Please select all that apply):

Answered: 156 Skipped: 16

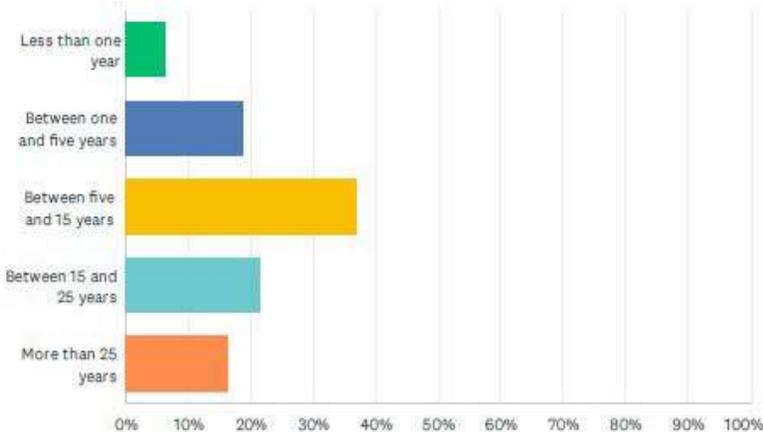


ANSWER CHOICES	RESPONSES	
Pre-retirement informational meetings	78.85%	123
Planning for retirement security seminars/webinars	67.31%	105
Participating in a defined contribution plan (401 and 457 plans or Roth IRA)	50.00%	78
Other (please specify)	5.77%	9
Total Respondents: 156		

Member Satisfaction Survey - August 2023 (Member)

Q12 How long have you been a member of MainePERS?

Answered: 171 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than one year	6.43%	11
Between one and five years	18.71%	32
Between five and 15 years	36.84%	63
Between 15 and 25 years	21.64%	37
More than 25 years	16.37%	28
TOTAL		171

Active Member Survey

- ▶ More frequent communications
- ▶ Information that is easier to understand
- ▶ More timely responses to requests
- ▶ Interest in pre-retirement meetings
- ▶ Retirement security planning seminars
- ▶ Information on defined contribution plans
- ▶ Appreciation for new services:
 - ▶ Member Portal
 - ▶ Benefit Estimator
 - ▶ Annual Member Account Statements

Active Member Survey

Compared to the 2022 Survey:

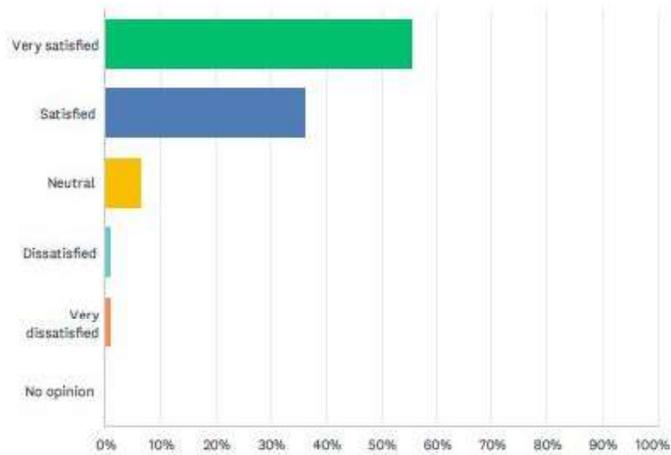
- ▶ Fewer respondents, 172 v 236
- ▶ Lower response rate, 8% v 11%
- ▶ Generally more neutral responses
- ▶ Larger percentage not vested, 25.14% v 11.96%
- ▶ Fewer had contacted us within a year of survey, 37.21% v 56.6%

2023 Retired Member Survey

Member Satisfaction Survey - August 2023 (Retiree)

Q1 Please rate your overall satisfaction with MainePERS

Answered: 585 Skipped: 0

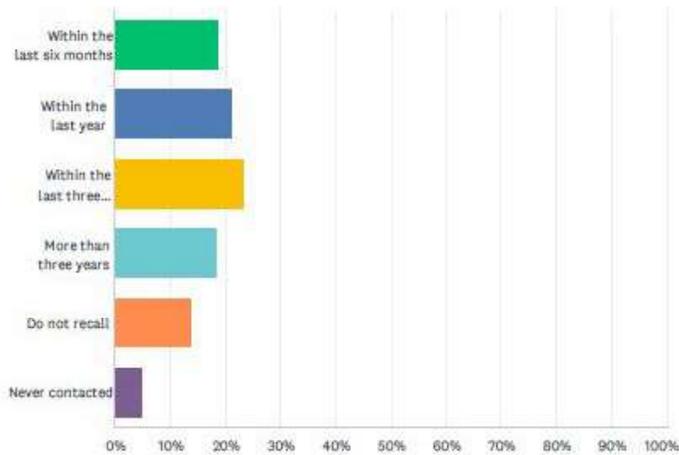


ANSWER CHOICES	RESPONSES	
Very satisfied	55.56%	325
Satisfied	36.24%	212
Neutral	6.32%	37
Dissatisfied	0.85%	5
Very dissatisfied	0.85%	5
No opinion	0.17%	1
TOTAL		585

Member Satisfaction Survey - August 2023 (Retiree)

Q2 When was the last time you contacted MainePERS?

Answered: 583 Skipped: 2

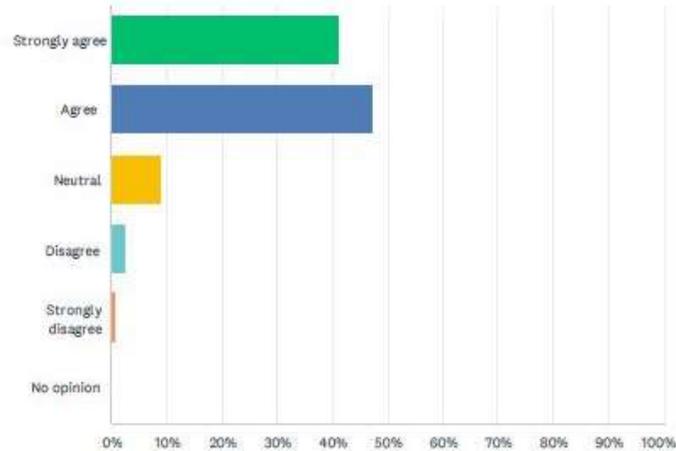


ANSWER CHOICES	RESPONSES	
Within the last six months	18.52%	108
Within the last year	21.10%	123
Within the last three years	23.33%	136
More than three years	18.35%	107
Do not recall	13.89%	81
Never contacted	4.80%	28
TOTAL		583

Member Satisfaction Survey - August 2023 (Retiree)

Q3 I am confident my MainePERS retirement is secure and will be there for me

Answered: 585 Skipped: 0

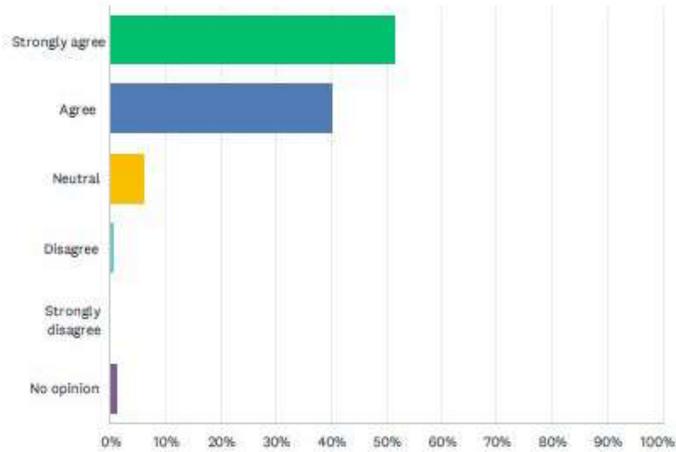


ANSWER CHOICES	RESPONSES	
Strongly agree	41.03%	240
Agree	47.35%	277
Neutral	8.72%	51
Disagree	2.39%	14
Strongly disagree	0.34%	2
No opinion	0.17%	1
TOTAL		585

Member Satisfaction Survey - August 2023 (Retiree)

Q4 MainePERS acts with integrity

Answered: 585 Skipped: 0

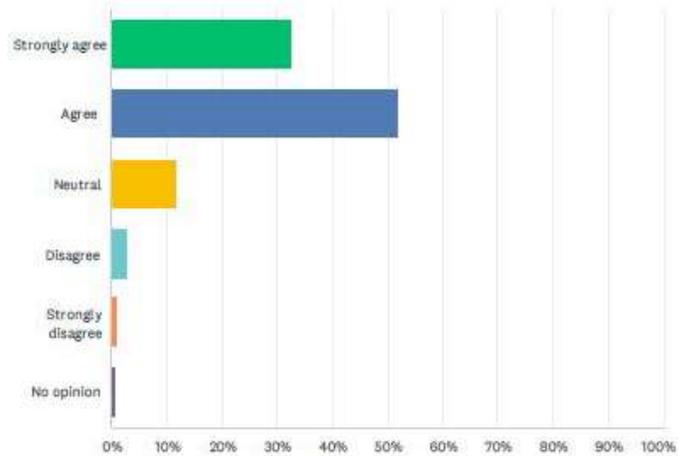


ANSWER CHOICES	RESPONSES	
Strongly agree	51.45%	301
Agree	40.34%	236
Neutral	6.15%	36
Disagree	0.68%	4
Strongly disagree	0.17%	1
No opinion	1.20%	7
TOTAL		585

Member Satisfaction Survey - August 2023 (Retiree)

Q5 The frequency with which MainePERS communicates with me meets my expectations

Answered: 584 Skipped: 1

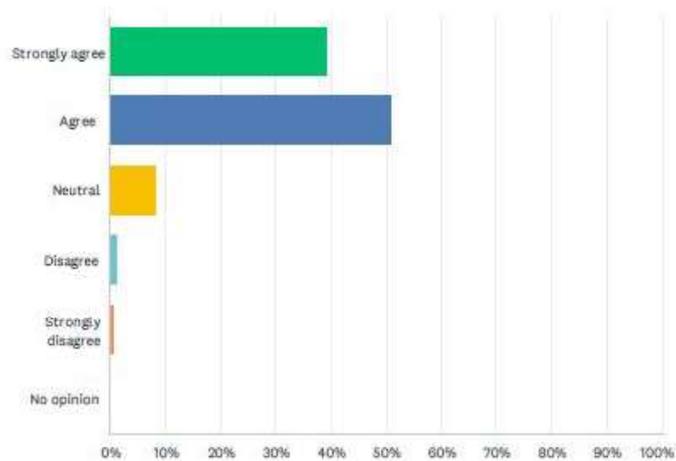


ANSWER CHOICES	RESPONSES	
Strongly agree	32.53%	190
Agree	51.88%	303
Neutral	11.64%	68
Disagree	2.74%	16
Strongly disagree	0.86%	5
No opinion	0.34%	2
TOTAL		584

Member Satisfaction Survey - August 2023 (Retiree)

Q6 Information I receive from MainePERS is easy to understand

Answered: 584 Skipped: 1

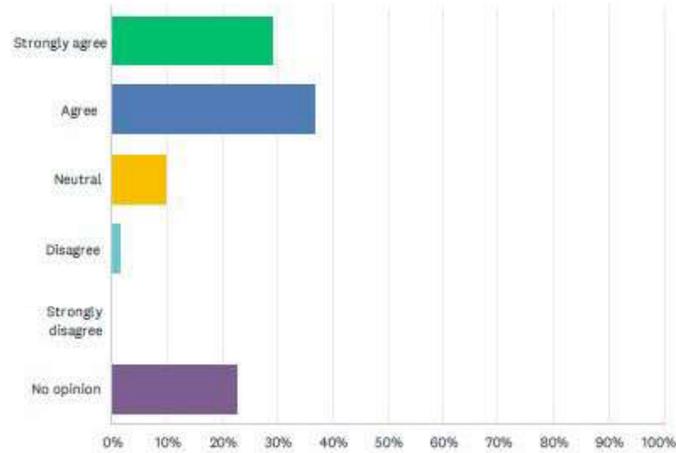


ANSWER CHOICES	RESPONSES	
Strongly agree	39.21%	229
Agree	50.86%	297
Neutral	8.05%	47
Disagree	1.37%	8
Strongly disagree	0.34%	2
No opinion	0.17%	1
TOTAL		584

Member Satisfaction Survey - August 2023 (Retiree)

Q7 MainePERS responds to my questions in a timely manner

Answered: 584 Skipped: 1

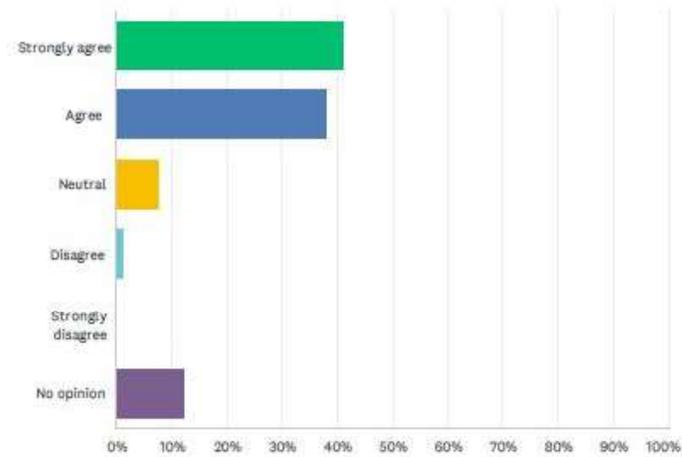


ANSWER CHOICES	RESPONSES	
Strongly agree	29.11%	170
Agree	36.82%	215
Neutral	9.76%	57
Disagree	1.54%	9
Strongly disagree	0.17%	1
No opinion	22.60%	132
TOTAL		584

Member Satisfaction Survey - August 2023 (Retiree)

Q8 MainePEPS Staff are knowledgeable

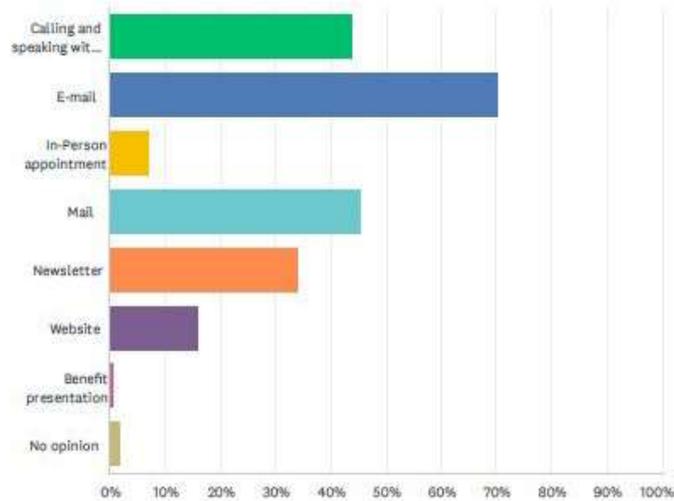
Answered: 583 Skipped: 2



ANSWER CHOICES	RESPONSES	
Strongly agree	41.17%	240
Agree	37.91%	221
Neutral	7.72%	45
Disagree	1.03%	6
Strongly disagree	0.00%	0
No opinion	12.18%	71
TOTAL		583

Q9 I prefer to receive information from MainePERS by this method:
(Please select up to three options)

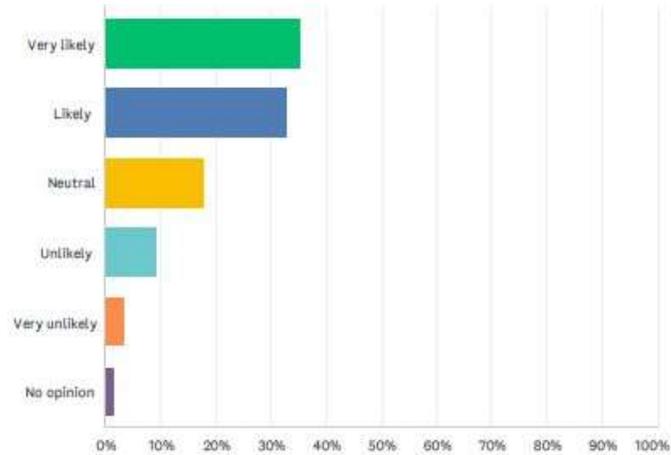
Answered: 585 Skipped: 0



ANSWER CHOICES	RESPONSES	
Calling and speaking with a Member Services Representative	43.93%	257
E-mail	70.26%	411
In-Person appointment	7.01%	41
Mail	45.47%	266
Newsletter	34.19%	200
Website	16.07%	94
Benefit presentation	0.68%	4
No opinion	1.71%	10
Total Respondents: 585		

Q10 How likely is it that you will use the MainePERS Member Portal (offering convenient online access to your account information) when it is made available to you?

Answered: 585 Skipped: 0

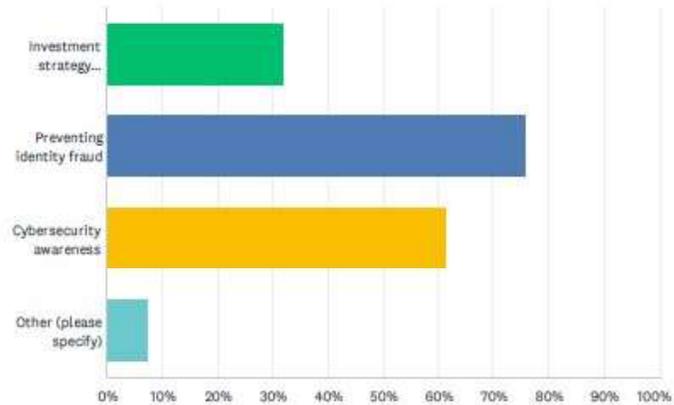


ANSWER CHOICES	RESPONSES	
Very likely	35.21%	206
Likely	32.82%	192
Neutral	17.78%	104
Unlikely	9.23%	54
Very unlikely	3.42%	20
No opinion	1.54%	9
TOTAL		585

Member Satisfaction Survey - August 2023 (Retiree)

Q11 From the items below, please check items which you would be interested in (Please select all that apply):

Answered: 484 Skipped: 101

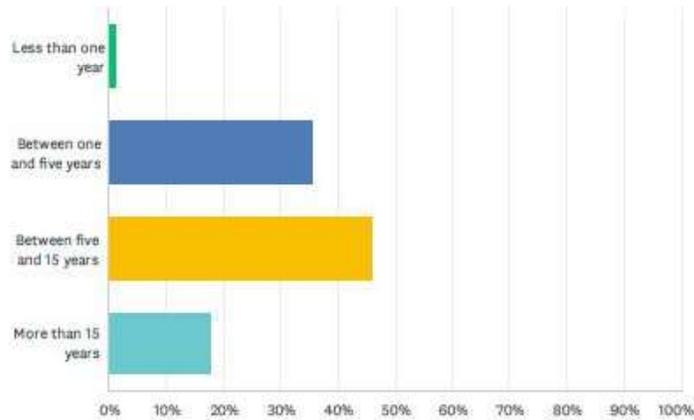


ANSWER CHOICES	RESPONSES	
Investment strategy overviews	32.02%	155
Preventing identity fraud	75.62%	366
Cybersecurity awareness	61.16%	296
Other (please specify)	7.44%	36
Total Respondents: 484		

Member Satisfaction Survey - August 2023 (Retiree)

Q12 How long have you been receiving MainePERS retirement benefits?

Answered: 585 Skipped: 0



ANSWER CHOICES	RESPONSES
Less than one year	1.03% 6
Between one and five years	35.56% 208
Between five and 15 years	45.81% 268
More than 15 years	17.61% 103
TOTAL	585

Retired Member Survey

- ▶ Generally satisfied with frequency of communication, clarity of information, & timeliness of responses
- ▶ Interested in information on cybersecurity awareness & preventing identity fraud
- ▶ Concerns beyond MainePERS control:
 - ▶ Impact of WEP & GPO
 - ▶ COLA not keeping pace with inflation
 - ▶ Issues with health & dental insurance
- ▶ Many retired members expressed appreciation for MainePERS and its staff

Retired Member Survey

Compared to the 2022 Survey:

- ▶ More respondents, 585 v 415
- ▶ Higher response rate, 26% v 14%
- ▶ Generally consistent responses
- ▶ Fewer retired less than 5 years, 36.48% v 44.44%
- ▶ Fewer had contacted us within a year of survey, 39.69% v 43.38%

MAINEPERS**BOARD OF TRUSTEES MEMORANDUM**

TO: BOARD MEMBERS
FROM: DR. REBECCA M. WYKE, CEO
SUBJECT: 2024 EMPLOYEE SATISFACTION SURVEY
DATE: FEBRUARY 23, 2024

POLICY REFERENCE

Board Policy 5.3 Service to Staff

MainePERS conducted an employee satisfaction survey January 25 – February 7, 2024. All employees were invited to participate in the survey. Eighty-three (83) employees completed the survey, a 67% response rate. A copy of the survey is attached.

Of those responding, 87% stated that they “agree” or “strongly agree” they are satisfied with their job (compared to 74% in 2023), 11% were neutral, and 2% stated they “disagree” or “strongly disagree”. Ninety-two percent (92%) indicated they “agree” or “strongly agree” they know what is expected of them in their position (compared to 91% in 2023), 6% were neutral, and 2% “disagree” or “strongly disagree”. And, 88% said they “always” or “usually” receive helpful feedback from their supervisor (compared to 81% in 2023), while 8% said “sometimes”, and 4% stated “rarely” or “never”.

Two new questions were added to the survey to assess the climate for inclusivity. Eighty-three percent (83%) stated they “agree” or “strongly agree” that MainePERS is committed to creating an inclusive workplace environment, 17% were neutral, and none stated they “disagree”. And, 80% indicated they feel their ideas are valued and feel safe suggesting them, 12% said “sometimes”, and 8% said “rarely” or “never”.

Responses to the survey suggest optimism that the work culture and environment continue to improve, but also acknowledge there is more work to be done. Some employees also noted the backlogs continue to be burdensome.

The results of the survey have been shared with staff and senior management continues to work on addressing issues of concern.

RECOMMENDATION

No Board action is recommended at this time.

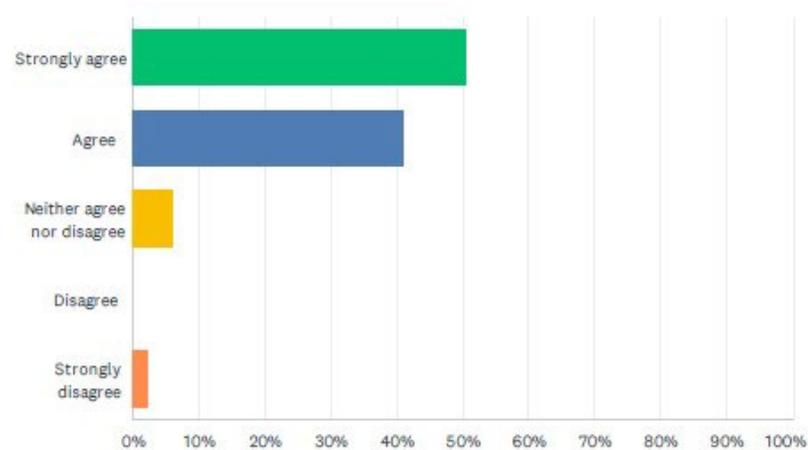
2024 Employee Satisfaction Survey

January 15 – February 7, 2024

Question 1

Q1 I know what is expected of me in my position.

Answered: 83 Skipped: 0

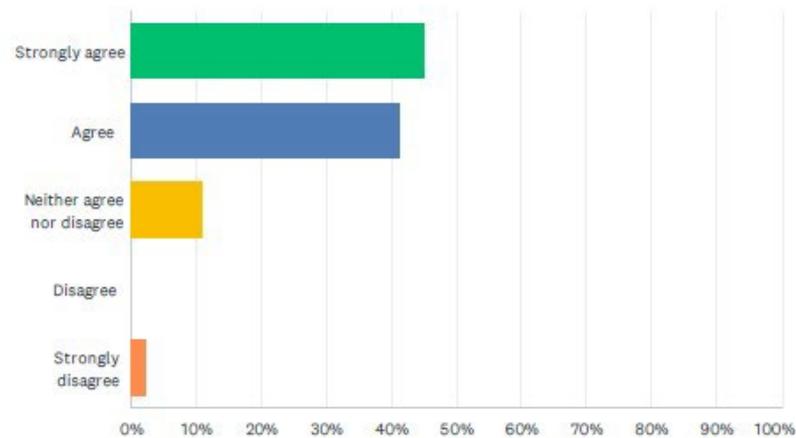


ANSWER CHOICES	RESPONSES	
Strongly agree	50.60%	42
Agree	40.96%	34
Neither agree nor disagree	6.02%	5
Disagree	0.00%	0
Strongly disagree	2.41%	2
TOTAL		83

Question 2

Q2 In general, I am satisfied with my job.

Answered: 82 Skipped: 1

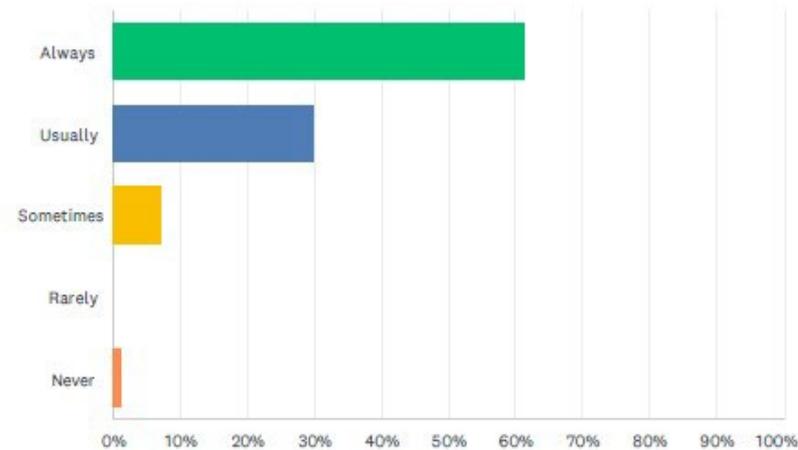


ANSWER CHOICES	RESPONSES	
Strongly agree	45.12%	37
Agree	41.46%	34
Neither agree nor disagree	10.98%	9
Disagree	0.00%	0
Strongly disagree	2.44%	2
TOTAL		82

Question 3

Q3 I receive timely and relevant communications from my supervisor.

Answered: 83 Skipped: 0

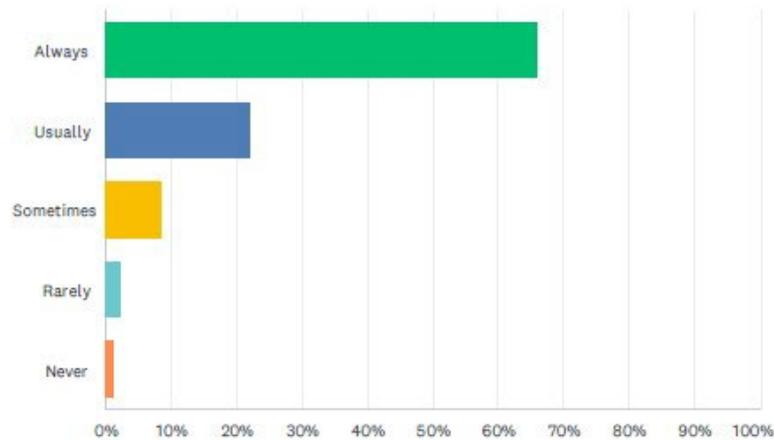


ANSWER CHOICES	RESPONSES	
Always	61.45%	51
Usually	30.12%	25
Sometimes	7.23%	6
Rarely	0.00%	0
Never	1.20%	1
TOTAL		83

Question 4

Q4 My supervisor provides helpful feedback.

Answered: 82 Skipped: 1

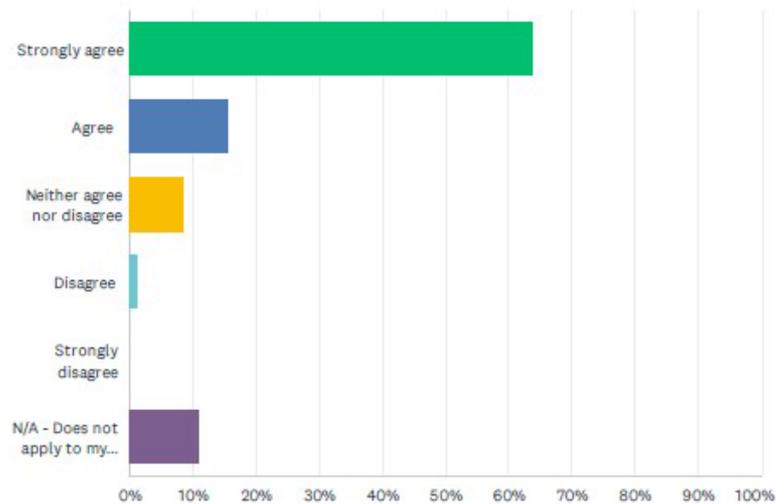


ANSWER CHOICES	RESPONSES	
Always	65.85%	54
Usually	21.95%	18
Sometimes	8.54%	7
Rarely	2.44%	2
Never	1.22%	1
TOTAL		82

Question 5

Q5 The option of a hybrid remote work schedule has improved my work-life balance and is beneficial for MainePERS.

Answered: 83 Skipped: 0

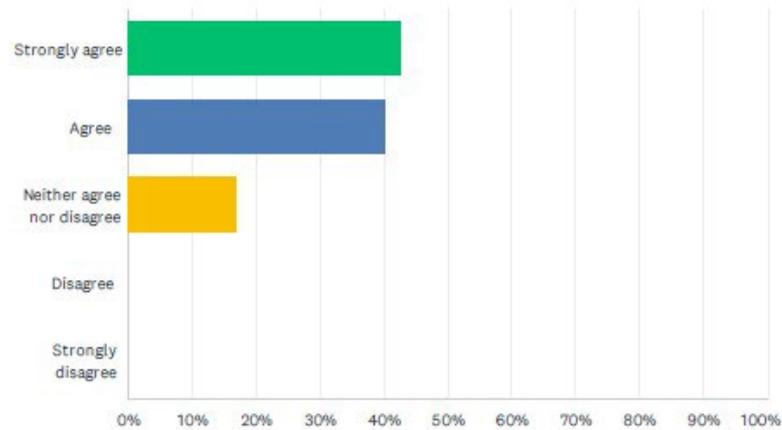


ANSWER CHOICES	RESPONSES	
Strongly agree	63.86%	53
Agree	15.66%	13
Neither agree nor disagree	8.43%	7
Disagree	1.20%	1
Strongly disagree	0.00%	0
N/A - Does not apply to my position	10.84%	9
TOTAL		83

Question 6

Q6 MainePERS is committed to creating an inclusive workplace environment.

Answered: 82 Skipped: 1

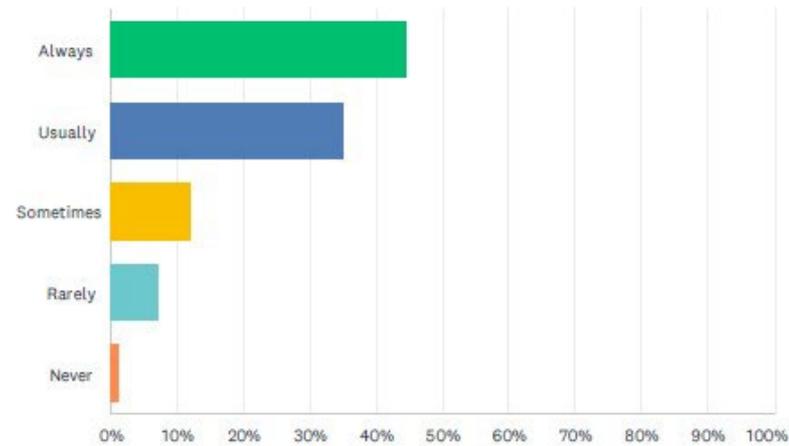


ANSWER CHOICES	RESPONSES	
Strongly agree	42.68%	35
Agree	40.24%	33
Neither agree nor disagree	17.07%	14
Disagree	0.00%	0
Strongly disagree	0.00%	0
TOTAL		82

Question 7

Q7 I feel my ideas are valued and I feel safe in suggesting them.

Answered: 83 Skipped: 0

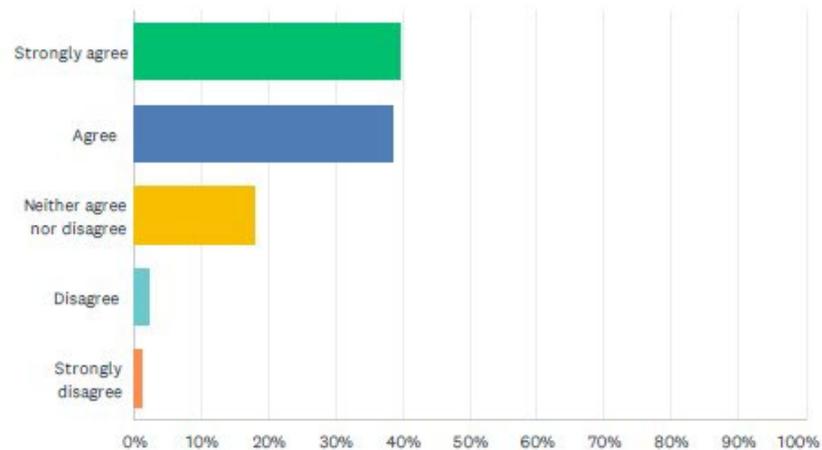


ANSWER CHOICES	RESPONSES	
Always	44.58%	37
Usually	34.94%	29
Sometimes	12.05%	10
Rarely	7.23%	6
Never	1.20%	1
TOTAL		83

Question 8

Q8 I would recommend MainePERS as a great place to work.

Answered: 83 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	39.76%	33
Agree	38.55%	32
Neither agree nor disagree	18.07%	15
Disagree	2.41%	2
Strongly disagree	1.20%	1
TOTAL		83

Survey Themes

- Work culture and environment are moving in a positive direction, but there is more work to do.

Question 8 – I would recommend MainePERS as a great place to work

2023 79% agree – 3% disagree – 18% neutral

2022 61% agree – 13% disagree – 26% neutral

- Backlogs continue to be burdensome, but progress has been made

Note, two new questions for this year's survey:

Question 6 – MainePERS is committed to creating an inclusive workplace environment, 83% agree

Question 7 – I feel my ideas are valued and I feel safe in suggesting them, 80% agree

NEW RETIREES	
Calendar Year 2023	
5 M.R.S. § 17103(F)	
Plan Status	Retired Members
State	557
Teacher	824
Legislative	21
Judicial	3
Participating Local District	484
Total	1889

NEW ACTIVE MEMBERS	
Calendar Year 2023	
5 M.R.S. § 17103(G)	
Plan Status	New Active Members
State	1586
Teacher	1916
Legislative	0
Judicial	1
Participating Local District	2079
Total	5582

DISABILITY RETIREMENT and APPEALS		
Calendar Year 2023		
5 M.R.S. § 17103(J)(1)-(4)		
	Count	Percentage
NEW APPLICATIONS		
Disability determinations made at the application stage in 2022	78	
Applicants awarded disability retirement at the applications stage	77	99%
Applications terminated due to death	0	
Applicants denied at the application stage	1	1%
DISABILITY APPEALS¹		
Number of appeals pending 12/31/2022	7	
Number of appeals filed in 2023	1	
Total appeals closed in 2023	3	
Appeals Withdrawn or Abandoned	1	
Appeals Resolved on the Merits	2	
<i>Total resulting in denial of benefits</i>	2	
<i>Total resulting in the award of benefits</i>	0	0%
Number of Appeals Pending 12/31/2023	5	

¹This section addresses appeals of application denials. Appeals may not be filed and often are not completed in the same calendar year as the application denial.

**BUDGET STATUS OF ADMINISTRATIVE OPERATIONS AND
FUNCTIONS
FY 2023-2024**

5 M.R.S. § 17103(E)

	FY 2024 Budget	07/01/2023- 12/31/2023 Actual	01/01/2024- 06/30/2024 Expected	Projected Surplus /(Deficit)
Personal Services	11,524,520	5,306,581	6,403,809	(185,870)
Professional Services¹	1,454,898	498,411	986,091	(29,604)
Communications	712,844	487,379	343,070	(117,605)
Building Operations	1,131,941	530,724	566,942	34,275
Computer Maintenance and Supplies	3,017,266	1,330,577	1,682,868	3,821
Depreciation	578,836	280,161	316,521	(17,846)
Professional Development	89,760	31,707	58,053	0
Medical Consultation and Records	244,500	64,393	126,915	53,192
Miscellaneous Operating Expenses	415,742	190,411	229,308	(3,977)
Total Administrative Expenses	19,170,307	8,720,344	10,713,577	(263,614)

¹Professional Services include actuarial and legal service fees, as well as hearing officers' services related to appeals.

SUMMARY OF ADMINISTRATIVE EXPENSES FY 2023	
5 M.R.S. § 17103(D)	
Personal Services	9,915,429
Professional Services	2,211,730
Communications	604,017
Office Rent and Building Operations	493,170
Computer Maintenance and Supplies	1,783,445
Depreciation	755,483
Professional Development	39,504
Medical Records and Exams	21,037
Miscellaneous Operating Expenses	691,544
Total Administrative Expenses¹	16,515,359

¹Total Administrative Expenses include all expenses of the System. Refer to the ACFR for a breakdown of administrative expenses across plans.

CONTRIBUTIONS/PAYMENTS IN 2023			
5 M.R.S. § 17103(I)			
Plan Status	Employee Contributions	Employer Contributions	Total Payments to Retirees
State¹	57,974,703	190,338,898	362,275,003
Teacher	113,962,817	274,787,876	639,369,263
Judicial	662,365	620,462	5,433,883
Legislative	226,997	5,513	655,401
Participating Local Districts	65,716,199	92,690,870	211,907,375
Total	238,543,081	558,443,619	1,219,640,925

¹State Plan totals include Governors

February 29, 2024

Senator Michael Tipping, Senate Chair
Representative Amy Roeder, House Chair
Members, Joint Standing Committee on Labor and Housing
100 State House Station
Augusta, ME 04333-0100

Senator Tipping, Representative Roeder and Members of the Joint Standing Committee on Labor and Housing:

MainePERS is writing to provide you with an update on our Member Portal as you requested in your letter of July 24, 2023, along with additional information about efforts we have undertaken to increase the ability of members to access their account information and learn more about their MainePERS pension benefits.

MainePERS Member Portal

Last spring, MainePERS advised it was in the process of implementing a Member Portal that would provide active members and retirees online access to their account information. MainePERS is pleased to share that the MainePERS Member Portal launched on October 2, 2023. Screenshots of the Member Portal are enclosed in Appendix 1.

Invitations to register for the portal were mailed to groups of active and retired members in a phased process beginning in October. This phased rollout was completed last week with 60,025 invitations having been mailed to active and retired members in the State, Teacher, Legislative, Judicial, and Participating Local District (PLD) plans with a valid telephone and/or email address on file. This gradual invitation process ensured adequate support was available for those registering and accessing the portal for the first time. As part of this support, detailed login instructions were mailed with the invitation and a dedicated telephone queue was established to field calls specific to the Member Portal.

Since February 1, 2024, MainePERS members and retirees have been able to register for and access the new online Member Portal directly from the MainePERS website. For anyone not yet registered, Member Portal registration instructions are available at www.mainebers.org/memberportal, and additional assistance is available at 207-512-3100.

Following the phased rollout campaign and the additional access efforts described above, more than 13,000 individuals have registered their portal accounts.

The initial response of those accessing the portal has been overwhelmingly positive. In surveys conducted with those who have registered for the portal, the respondents indicate that it was easy to register (71.6%) and easy to use (77.9%). See Appendix 2 for additional survey results.

Participation in the portal is optional; MainePERS continues to be available to members via telephone, email, and in person meetings. However, registering provides members with secure

and convenient access to their MainePERS account information. A complete list of Member Portal features is provided in Appendix 3.

As part of that security, access to the Member Portal requires multifactor authentication (MFA). The authentication process requires that the member have access to a telephone and/or email address that is on file with MainePERS at the time of registration. A unique verification code is sent to the member and must be entered for a successful authentication and secure log in to the portal.

In anticipation of this requirement, and to facilitate their opportunity to access the portal, MainePERS also conducted an advance mailing to those active and retired members who did not have a telephone number or email address or both on file. Beginning in August and ending in November 2023, over 47,000 members were contacted and over 17,000 responded by returning a form with their updated contact information. In addition to enabling access to the Member Portal, having accurate information helps maintain the security of member accounts, assists in the verification process when members contact MainePERS, and allows members to receive critical updates in a timely manner.

Launching the Member Portal was a specific objective identified in MainePERS strategic plan. In recent satisfaction surveys, 88% of active members and 68% of retired members said that they were likely to use the Member Portal.

MainePERS has already begun to review opportunities for expanding the Member Portal functionality through a Phase 2 Initiative. This will be guided by feedback from users and the capacity of the current pension administration system. As MainePERS transitions to a new pension administration system in the next 3 to 5 years, expanding the capabilities of the Member Portal will be a significant component.

Member Statements

Member Statements are provided annually by mail in the month of a member's birthdate. MainePERS sends approximately 5,400 such statements monthly. Members may request statements off-cycle, if needed, and approximately 100 do so each month.

Annual member statements also can now be accessed on demand via the Member Portal. Members can now view and print copies directly from the member portal 24x7 on demand. Member statements include the name of the plan, normal retirement age under the plan, contributions and interest, service credit, pre-retirement beneficiaries, Group Life Insurance (GLI) beneficiaries (when applicable), vesting status, and the formula used to calculate benefits.

Member Education Sessions and Benefit Estimator

In addition to these efforts, MainePERS in the past year also has expanded its member education series to offer more than half a dozen different educational sessions for members. New introductory education sessions tailored to new and mid-career State, Teacher, and PLD Plan members are now available. The Intro to State Plan, Intro to Teacher Plan, and Intro to PLD Plan sessions are open to anyone wanting to learn more about their pension plan and how it can fit into long-term retirement planning. The topics in these 60 minute presentations include how retirement benefits are calculated, how service credit accrues, and eligibility and vesting. MainePERS also continues to provide the Ready to Retire sessions for State, Teacher, and PLD Plan members who are eligible and intend to retire within the next year and who have

received a retirement estimate within the past year. Topics covered in these sessions include how each benefit payment option works, how benefits are paid, and other common retirement questions. More than 700 members registered for 15 of these educational sessions in Calendar Year 2023. MainePERS also collaborates with other organizations to conduct similar education sessions, serving more than 1,200 individuals in 2023.

On demand videos are available on the MainePERS web site regarding some of the most frequently asked questions in addition to a variety of FAQs, narrative information and web links to other valuable resources. See, for example, <https://www.mainebers.org/forms-resources/financial-planning-retirement-savings/>. And hundreds of members avail themselves of individual or small group consultations annually. For example, the MaineSTART defined contribution plan administered by MainePERS served more than 1,100 attendees at approximately 900 information sessions in 2023.

MainePERS also launched a Benefit Estimator in January 2023 and received more than 15,600 visits through December 2023. While it does not replace the formal calculation of benefits conducted when a member applies to retire, the MainePERS Benefit Estimator allows members in regular (non-special) retirement plans much greater flexibility to project their service retirement benefits in a variety of scenarios to aid long-term retirement planning.

MainePERS welcomes this opportunity to update the Joint Standing Committee on Labor and Housing on its success with the Member Portal and the other initiatives to increase member access to their account information and to learn more about their pension benefits. MainePERS is continually seeking ways to improve the services available to our members. We welcome questions and are happy to address them as the Committee requests and in the format desired.

Respectfully submitted,



Dr. Rebecca M. Wyke
Chief Executive Officer

Enclosures



- [Home](#)
- [Member Info](#)
- [Beneficiaries](#)
- [GLI Information](#)
- [Disbursement](#)
- [Documents](#)
- [FAQ/How To's](#)

Welcome to the MainePERS Member Portal!

By registering, you now have convenient access to your MainePERS account information. To help you navigate the portal Frequently Asked Questions are available under the FAQ/How To's tab.

Should you require assistance with the Member Portal, Member Services Representatives are available Monday through Thursday from 8AM-4PM at (207) 512-3100 or toll-free at 1-800-451-9800.

If you have a question about a specific MainePERS retirement plan, please contact the appropriate division listed under the **Member and Retirement Services Contacts** below.

MainePERS Forms

- [Active Member Forms](#)
- [Disability Forms](#)
- [Group Life Insurance Forms](#)
- [Survivor Benefit Forms](#)
- [Retiree Forms](#)

Links

- [MainePERS.org \(Website\)](#)
- [MainePERS.org/Benefit Estimator](#)
- [MainePERS.org/Getting Ready to Retire \(videos\)](#)
- [MainePERS.org/Handbooks and Guides \(publications\)](#)
- [MainePERS.org/Benefit Payroll Dates](#)

Member and Retirement Services Contacts

Maine Public Employees Retirement System
 P.O. Box 349
 Augusta, Maine 04332-0349
 Local: (207) 512-3100
 Toll-Free : (800) 451-9800
 Maine Relay: 711

Participating Local District Unit

Email: PLD@MainePERS.org

State Unit

Email: State@MainePERS.org

Teacher Unit

Email: Teacher@MainePERS.org

News



**Welcome to the
MainePERS Member Portal!**

Member Info

Change

Demographics

First Name:	SSN:
Middle Name:	Birth Date:
Last Name:	Age:
Suffix:	Gender:
Correspondence:	Home Phone:
	Email:

How do I update my contact information?

- Click on the "Change" button in the left hand corner
- If the pop-up box appears to be small, you can enlarge the window by holding and dragging the bottom right hand corner
- Click on the pencil icon next to the demographic information you would like to change
 - If updating your address, click "Edit Address"
 - If updating your phone number, click "Details" to edit or "Delete" to remove the data without replacing
 - Note: You must provide at least two methods of contact between your home phone, mobile phone and email address
- Click "Save" in the bottom right corner
- Review your updated information for accuracy

Beneficiary Allocations

Beneficiaries for Pension

Fund: 

Tools	Name	Fund	Beneficiary Relation Code	Identifier	Description	Percent
		Pre-Retirement	Spouse		Primary Beneficiary Type	100
		Pre-Retirement	Child		Contingent Beneficiary Type	33.4
		Pre-Retirement	Child		Contingent Beneficiary Type	33.3
		Pre-Retirement	Child		Contingent Beneficiary Type	33.3

Beneficiaries for Group Life Insurance

Tools	Name	Fund	Beneficiary Relation Code	Identifier	Description	Percent
		Basic	Spouse		Primary Beneficiary Type	100
		Basic	Child		Contingent Beneficiary Type	33.33
		Basic	Child		Contingent Beneficiary Type	33.33
		Basic	Child		Contingent Beneficiary Type	33.34

Additional Information

Pre-Retirement Beneficiary Form

To change or update your Pre-Retirement beneficiary elections, please complete and submit a signed copy of the [Designation of Beneficiary Pre-Retirement Death Benefits form](#) (CL-0722) to MainePERS. [Information Regarding Pension Beneficiary Designation for Pre-Retirement Death Benefits](#) (CL-0722A). Forms may be downloaded from the MainePERS web site by clicking on the corresponding form name.

Group Life Insurance Beneficiary Form

To change or update your Group Life Insurance beneficiary elections, please complete and submit a signed copy of the [Designation of Beneficiary Group Life Insurance form](#) (GI-0912) to MainePERS. Forms may be downloaded from the MainePERS web site by clicking on the corresponding form name.

GLI Policies

Tools	Employer	Coverage	Status	Start Date	Stop Date	GLI Level	Special Notes
		Basic	Issued	12/01/2016		\$74,000.00	
		Dependent B	Issued	12/01/2016			*See Below
		Supplemental 3	Issued	12/01/2016			*See Below

Schedule of Life Insurance Benefits

Basic coverage - 100% of your GLI Level
 Supplemental 1 - 100% of your GLI Level
 Supplemental 2 - 200% of your GLI Level
 Supplemental 3 - 300% of your GLI Level

Dependent A

Spouse: \$ 5,000
 Unmarried child age (< 6 months): \$ 1,000
 6 months, but < 19 years: \$ 5,000
 19 years, but < 22 years (if full time student):\$ 5,000

Dependent B

Spouse: \$10,000
 Unmarried child age (< 6 months): \$ 2,500
 6 months, but < 19 years: \$ 5,000
 19 years, but < 22 years (if full time student):\$ 5,000

Service Retirees: Your Retiree GLI Level will be reduced by 15% on the day following the first Anniversary of your retirement. Thereafter, your Retiree Level amount will be reduced by an additional 15% until your benefit is 40% of your original level amount or \$2,500, which ever is greater.

Disability Retirees: Your Retiree GLI Level will be reduced by 15% on the day following the first Anniversary of your Normal Retirement Age. Thereafter, your Retiree Level amount will be reduced by an additional 15% until your benefit is 40% of your original level amount or \$2,500, which ever is greater.

Member Disbursements

As Of: ▾

Tools	Disbursement Date	Status	Gross Amount	Total Deduction Amt	Disbursement Amt	Disbursement Type	Check/ Eft No	Payee
Details	09/16/2022	Cleared	\$124.82	\$14.54	\$110.28	Check	1470477	

Member Documents

	<input type="checkbox"/>	Name	Date	Type	Description
Actions	<input type="checkbox"/>	TEN99R	01/30/2023	Doc-In	1099R form
Actions	<input type="checkbox"/>	MSSTMT	01/09/2023	Doc-In	Mem Statement
Actions	<input type="checkbox"/>	New Bene Lett...	08/23/2022	Doc-Out	New Bene Lett...
Actions	<input type="checkbox"/>	New Bene Lett...	08/23/2022	Doc-Out	New Bene Lett...
Actions	<input type="checkbox"/>	GI0912	02/22/2022	Doc-In	Change Bene ...
Actions	<input type="checkbox"/>	CL0722	02/22/2022	Doc-In	Pre-Ret Desig ...
Actions	<input type="checkbox"/>	MSSTMT	01/31/2022	Doc-In	Mem Statement

Additional Documentation

If you wish to obtain documents from your records before January 1, 2018, please contact MainePERS at 1-800-451-9800.

FAQ/How To's

Search

Article

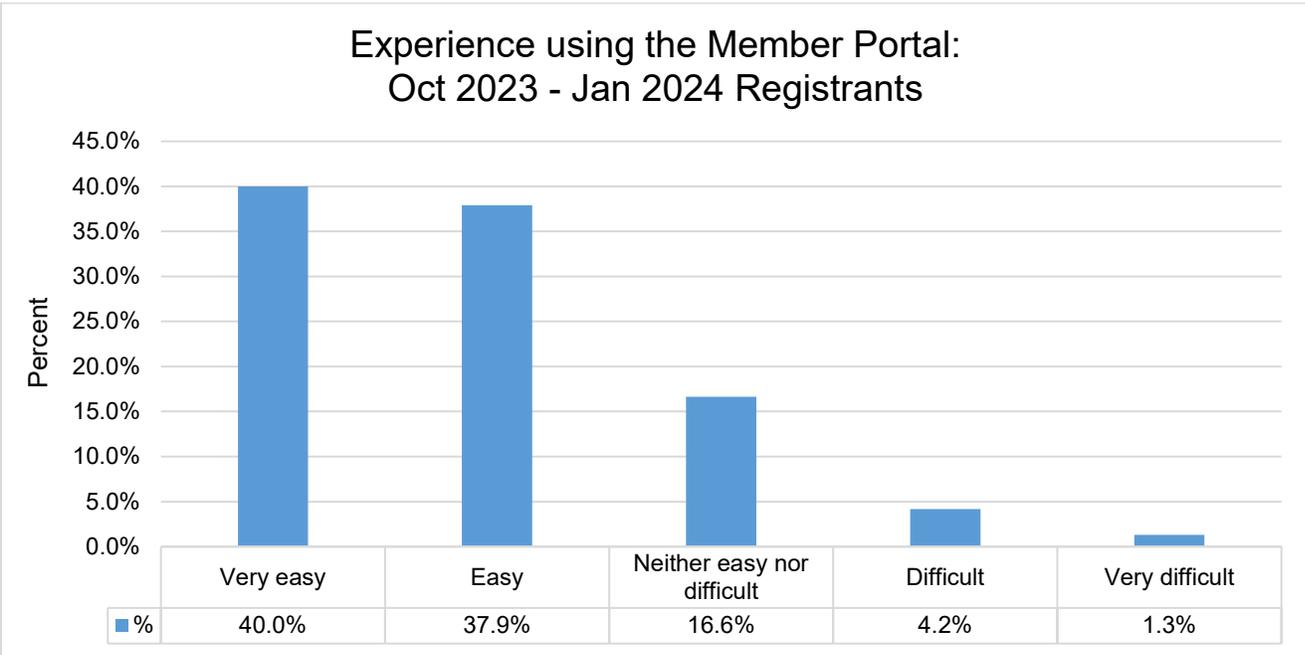
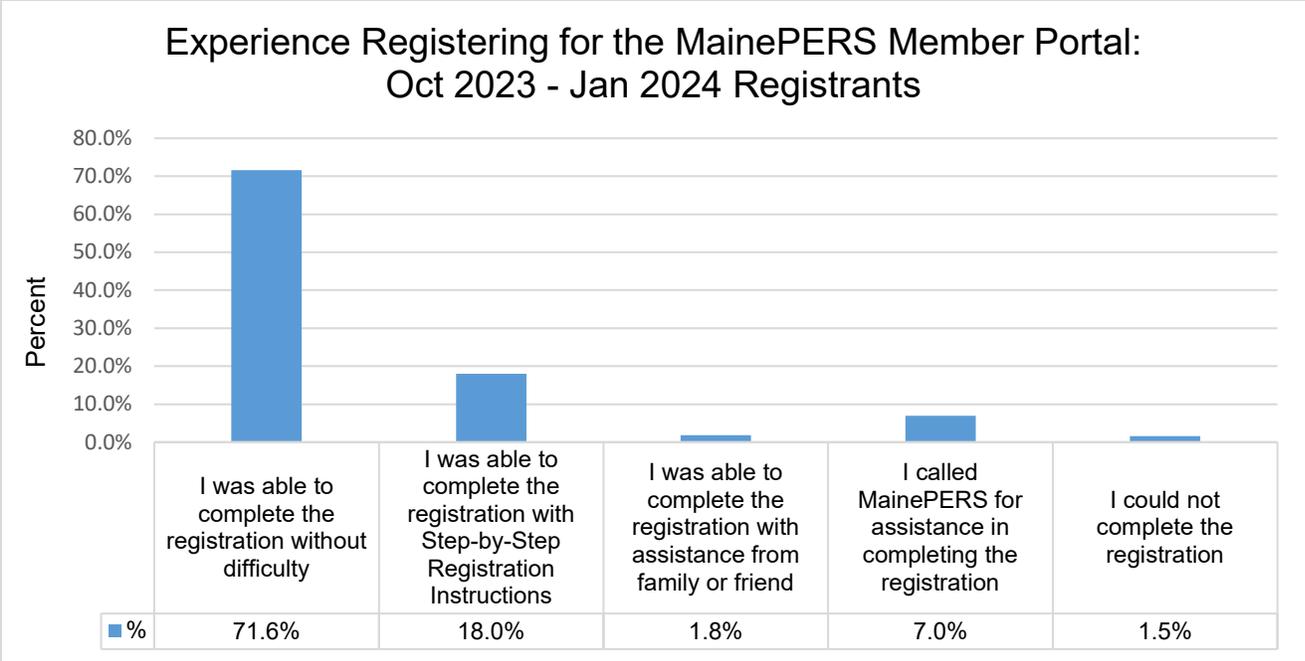
- ▶  Member Portal- FAQa
 - How do I change my password?**
 - How do I find my service credit total?
 - How do I log out of the Member Portal?
 - How do I print a document?
 - How do I print my beneficiary Information?
 - How do I rearrange data before printing?
 - How do I save and email a document?
 - How do I update my Contact Information?
 - How do I view my disbursements?
 - I need additional help
 - Where's my Contributions and Interest?
- ▶  Member Portal- User Guides
 - Functionality Overview

How do I change my password?

How do I change my password, security questions and/or view my login history?

- Click on the icon next to your name in the upper right hand corner of your screen
- Choose User Profile
- Click Change Password, Change Security Questions or View Login History
 - When changing your Security Questions, you will first be prompted to confirm your current password and click Verify

- Attachments
- HowdoIchang...





MainePERS Member Portal Functionality

MainePERS launched a secure online Member Portal in fall 2023 for active and retired members that offers convenient access to their MainePERS account information. Participating in the Member Portal is optional. Those who choose to create a user account will have access to the following:

The ability to see:

- For active members, the most recent and all available member account statements
- For retired members, recent and all available disbursements
- Current beneficiary elections for all applicable benefits (pension, Group Life Insurance)

The ability to access, download, and print certain documents which MainePERS has received from the member, has sent to the member, or otherwise has on-file in the member's account, such as:

- Advice of Deposit detail (Electronic Fund Transfer disbursement details)
- Refund Application
- Retirement Application
- W-4P/W-4R
- Member Statements
- 1099 Tax Forms
- Group Life Insurance application
- Preliminary Benefit Letter
- Benefit Estimates
- Notice of Retirement
- Final Benefit Letter
- Service Credit Purchase - Cost Statements
- Service Credit Purchase informational letters
- Refund Statements
- Benefit Verifications
- Beneficiary Updates
- Pre-retirement death benefits selection forms

The ability to update:

- Physical Address
- Email Address
- Phone Number
- Gender

The ability to access:

- Forms
- Handbooks
- The mainepers.org website and its services and additional information including the on-line Benefit Estimator

Nearly every service that will be available through the Member Portal currently requires a phone call or an exchange of correspondence with MainePERS to receive information or complete a transaction. The online portal will provide 24/7 access to a member's own account information at an individual's convenience.

February 29, 2024

Senator Michael Tipping, Senate Chair
Representative Amy Roeder, House Chair
Members, Joint Standing Committee on Labor and Housing
100 State House Station
Augusta, ME 04333-0100

Senator Tipping, Representative Roeder and Members of the Joint Standing Committee on Labor and Housing:

MainePERS is writing to provide you with an update on the implementation of disability retirement rules as you requested in your letter of July 24, 2023, along with additional information about the disability retirement program, including the most recent experience survey results and MainePERS' adoption of the Social Security Administration's Compassionate Allowance List.

Disability Program Rules

MainePERS conducted consensus-based rule development in 2022 on the rules pertaining to the disability retirement and appeals programs. A stakeholder group was convened to offer input and suggestions on the shaping of the rules. The participants included representatives from the Maine Education Association, Maine Service Employees Association, Professional Fire Fighters of Maine, and an attorney who has represented appellants in disability retirement cases. Multiple sessions were held during the late summer and early fall of 2022, concluding with a public hearing on January 23, 2023 and the adoption by the MainePERS Board of Trustees of new Rule Chapter 506 on February 9, 2023.

This new rule set forth the standards and processes for determining eligibility for disability retirement pursuant to statutory law at both the initial application stage and upon review for continued eligibility. It memorialized existing practices, addressed stakeholder concerns, adopted member-favorable changes, and incorporated the subjects of two existing rules to make the disability retirement process more transparent and understandable to all interested parties.

In conjunction with adopting Rule Chapter 506, existing Rule Chapters 507 and 509 were repealed due to the incorporation of their content into Rule Chapter 506, and three other rules were amended. The new and amended rules became effective on March 1, 2023. A copy of Rule Chapter 506 is attached as Appendix 1. Other MainePERS rules are available at <https://www.maine.gov/sos/cec/rules/90/chaps90-.htm>.

Following this rulemaking, departmental policy and practice documents were updated to reflect the impact of this rule on business processes, and staff were appropriately trained.

Member-centric changes formalized through the rulemaking include:

- Establishing a framework to implement the 2021 statutory change that requires offering an Independent Medical Examination (IME) prior to denying an application for disability retirement benefits on medical grounds. The rulemaking included an expanded right to an IME during appeals. In 2023, MainePERS facilitated IME examinations for seven applicants who completed the eligibility process. The examinations resulted in approval for two of those applicants. Prior to the addition of IME requirement, these applicants would have received an unfavorable decision.
- Adjusting the date a recipient undergoes a review for continuing eligibility to a full two years after the decision granting benefits is issued. The prior date of review was tied to last date at work and could mean a review initiated a year or less after benefit approval.
- Limiting reviews for continuing eligibility to one for most recipients, rather than routine reviews every two years as formerly required.
- Formally aligning MainePERS' definition of reasonable accommodation with ADA guidelines.
- Employing a holistic "whole person" approach when considering the interaction of multiple medical conditions on incapacity.

While the rulemaking formalized many long term practices, it also introduced new considerations that have effected positive change to the disability program. Most notable is the provision included in Rule Chapter 506 Section 2(2)(A) that states "if qualification is clear to a lay person, [the Chief Executive Officer] may grant benefits without the use of the medical review service provider." Historically, MainePERS' expedited processing of applications has been limited to terminal diagnoses, but this provision expanded the medical conditions appropriate for an accelerated processing time. In 2023, MainePERS offered approval to 21% of the applications filed (16 of 78) with advanced illness in an average of 28 days. This more than doubled the 9% of applications approved with expedited processing in 2022.

Other Disability Program Updates

In addition to the rulemaking update, there is additional information that may be of interest to the Committee regarding member experience with the disability retirement program.

A second annual survey of applicant experience was conducted in 2023. Those who had applied under the 2021 law and received a decision between September 10, 2022 (the closing date for the first survey) and June 30, 2023 (the end of the fiscal year) were invited to respond. Forty-four members met this criteria, and 55% of those responded to the survey. The survey results were generally positive, with 91.67% of respondents saying that they were treated with respect and 87.5% agreeing that the process was conducted fairly. Please see the enclosed Appendix 2 for the survey results and respondents' individual comments. MainePERS will continue to survey applicants on an annual basis. Survey results will be analyzed to inform future practice changes and the development of educational materials. The fiscal year will be used as the timeframe for this annual survey going forward.

On January 1, 2024, MainePERS streamlined the process of expediting applications through incorporation of the Compassionate Allowance List. This list, maintained by the Social Security Administration, identifies specific advanced and significant illnesses that are likely to meet eligibility criteria. MainePERS applicants with one or more condition listed on the Compassionate Allowance List are considered for expedited application processing. While applicants are still required to meet all of the same eligibility requirements as those whose conditions are not listed on the Compassionate Allowance List, applications can often be expedited using Rule Chapter 506 Section 2(2)(A) as previously described.

Further, MainePERS has also improved the disability retirement program information available on its website. Instead of housing information on a single page, website visitors are now invited to explore the disability program based on their individual needs. Those considering applying for benefits or who are currently in the application process are prompted to view the “Disability Applicant” section of the website, while those who currently receive benefits are directed to the “Disability Retiree” section. This change allows members and retirees to view the information most pertinent to their particular situation. The updates can be viewed directly at <https://www.mainebers.org/disability-retirement/>. MainePERS is exploring the development of informational videos in the future to further improve online content.

MainePERS welcomes this opportunity to update the Joint Standing Committee on Labor and Housing on its disability retirement program and continually seeks ways to improve the services available to our members. We welcome questions and are happy to address them as the Committee requests and in the format desired.

Respectfully submitted,



Dr. Rebecca M. Wyke
Chief Executive Officer

Enclosures

94-411 MAINE STATE RETIREMENT SYSTEM

Chapter 506: ELIGIBILITY FOR DISABILITY RETIREMENT BENEFITS

SUMMARY: This chapter sets forth the standards and processes for determining eligibility for disability retirement benefits.

SECTION 1. DEFINITIONS

1. **Consistent with the person’s training, education, or experience.** “Consistent with the person’s training, education, or experience” has the same meaning as “qualified by training, education or experience.” A member may be qualified by training, education, or experience to engage in an activity even if the member has not previously engaged in it or has not engaged in it for pay. The fact that the member may need additional training for a specific position does not mean that the position is inconsistent with the member’s training, education, or experience.
2. **Continuous creditable service.** “Continuous creditable service” means a period of membership service that occurs without any break in excess of 30 days. A period of leave under the federal Family Medical Leave Act where the member returned to the employment position at the end of the leave period does not constitute a break in membership service.
3. **Date of incapacity.** “Date of incapacity” means the date when a member stopped performing the essential functions of the member’s employment position due to functional limitations caused by a mental or physical condition.
4. **Earnings.** “Earnings” means wages from employment and non-wage net income received in return for labor or services, such as received in self-employment.
5. **Employment position.** “Employment position” means the position in which the member is employed at the time the member becomes incapacitated or a position that is made available to the member by the member's employer that is of comparable stature and equal or greater compensation and benefits and located within a reasonable commuting distance from the member’s residence.
6. **Existed before membership.** A condition “existed before membership” if, as of the member’s initial membership date, the condition:
 - A. Had been diagnosed by a health care provider;
 - B. Reasonably should have been diagnosed by a health care provider based on the member’s medical records and symptoms and the results of any additional tests the provider reasonably should have requested;
 - C. Had exhibited some, but not all signs and symptoms necessary for a diagnosis, but later manifested all such signs and symptoms and was diagnosed; or

- D. Was directly caused by another condition that was diagnosed or reasonably should have been diagnosed before membership.
7. **Incapacity.** “Incapacity” means unable to perform the essential functions of the member’s employment position with reasonable accommodation due to functional limitations caused by a mental or physical condition.
 8. **In service.** A member is “in service” if the member has not terminated employment and is receiving compensation for rendering services, including through the use of the member’s own accrued leave time.
 9. **Mental or physical condition.** A “mental or physical condition” is a condition affecting the member mentally or physically that is medically diagnosable.
 10. **Permanent.** “Permanent” means:
 - A. the incapacity is likely to continue for the foreseeable future;
 - B. the member has reasonably pursued appropriate treatment options; and
 - C. those treatment options have not resolved the incapacity.
 11. **Reasonable accommodation.** “Reasonable accommodation” has the same meaning as that phrase does under the federal Americans with Disabilities Act, 42 U.S.C. §12111(9).
 12. **Reasonable commuting distance.** “Reasonable commuting distance” means a distance of less than 60 miles that would be reasonable for the member to commute based on the facts and circumstances, including the cost of commuting, the compensation of the employment position, the member’s commuting history, and typical commuting distances where the member resides.
 13. **Substantially gainful activity.** “Substantially gainful activity” means any combination of activities, tasks, or efforts, with any reasonable accommodations, for which the member is qualified by training, education, or experience that would generate annual income in an amount in excess of the substantially gainful activity amount in the labor market for the member’s state of residence.
 14. **Substantially gainful activity amount.** “Substantially gainful activity amount” means \$20,000 or 80% of the member’s average final compensation, whichever is greater, adjusted by any cost of living adjustments required by statute or rule.

SECTION 2. INITIAL ELIGIBILITY

1. **Standards.** A member is eligible for disability retirement benefits if the member has a permanent incapacity while in service, subject to the following additional requirements where applicable:
 - A. If the member had less than five years of continuous creditable service as of the member’s last date in service, the incapacity must not result from a condition that existed before membership unless the incapacity has been caused or substantially aggravated by an injury or accident received in the line of duty from events or circumstances not usually encountered within the scope of the member’s employment.

(1) Events or circumstances are usually encountered within the scope of the member's employment if they are described in the job description for the member's position or are otherwise typically encountered one or more times during the career of a person in a position like the member's.

B. If at least two years have passed since the member's date of incapacity, the member must be unable to engage in any substantially gainful activity due to functional limitations caused by the mental or physical condition.

2. Use of the medical review service provider and independent medical examinations

A. The permanent incapacity may be revealed by an independent medical examination (IME), but the Chief Executive Officer may grant benefits without an IME and, if qualification is clear to a lay person, may grant benefits without use of the medical review service provider.

B. The Chief Executive Officer may deny benefits without use of the medical review service provider or an independent medical examination on non-medical grounds, including:

(1) The applicant was not in service at the time the applicant claims the incapacity began;

(2) The applicant is in an age-restricted plan and performed the essential functions of the employment position after normal retirement age;

(3) The claimed incapacity has existed for more than two years and the applicant has earned more than the substantially gainful activity amount in one or more years during this time;

(4) The applicant is uncooperative or unresponsive in providing essential information needed to process the application; or

(5) The applicant has already been denied benefits on the same condition and last date in service.

C. The Chief Executive Officer may not otherwise deny benefits without an IME unless the IME is waived by the applicant.

3. Determination of inability to perform the essential functions of the employment position with reasonable accommodation

A. A member is not unable to perform the essential functions of the employment position if the member could do so with one or more reasonable accommodations.

B. When a member is incapacitated by more than one mental or physical condition, any permanent functional limitations caused by the conditions will be considered in totality as part of a whole-person approach to determine whether the limitations make the member unable to perform the essential functions of the employment position with reasonable accommodation.

- C. If MainePERS determines that one or more reasonable accommodations would more likely than not allow a member to perform the essential functions of the employment position, MainePERS will communicate the reasonable accommodations in writing to the member and the employer prior to issuing a decision on eligibility for disability retirement, including, where applicable, a request to the employer that it provide the identified reasonable accommodations.
- (1) **Employer acceptance or refusal.** The employer shall inform MainePERS whether it will provide the requested reasonable accommodations. If the employer refuses because the member no longer is employed, the employer shall inform MainePERS whether the employer offered or would have provided the reasonable accommodations if requested during employment. MainePERS will communicate any information received from the employer to the member, and the member will be provided an opportunity to rebut the employer's information.
 - (2) **Member acceptance or refusal.** If the member has not terminated employment and the employer will provide the reasonable accommodations, the member shall inform MainePERS whether the member will attempt to perform the essential functions of the employment position with the reasonable accommodations. The member may provide evidence to MainePERS that the employer has refused to make the reasonable accommodations or that they would not permit the member to perform the essential functions of the employment position.
 - (3) **Final determination.** After employer or member refusal or the failure of a good faith attempt to perform the essential functions of the employment position with reasonable accommodation, MainePERS shall make a decision on the member's application for disability retirement.
4. **Application of disabled veteran presumption.** A member seeking application of the disabled veteran presumption pursuant to 5 M.R.S. §§ 17924 or 18524, based on a determination of individual unemployability must authorize release of information from the U.S. Department of Veterans Affairs as requested by MainePERS in addition to cooperating in providing other essential information needed to process the disability retirement application.

SECTION 3. REVIEWS FOR CONTINUING ELIGIBILITY

1. **Scheduling of reviews.** A disability retiree may be reviewed for continuing eligibility for disability retirement benefits in the following circumstances:
 - A. The retiree has not yet had a determination that they are unable to engage in any substantially gainful activity for which they are qualified by training, education or experience and at least two years have passed since the date of the determination that the retiree is eligible for disability retirement benefits; or
 - B. Earnings or other information about a retiree's activities received by MainePERS show that the retiree may have capacity to engage in substantial gainful activity and at least one year has passed since any previous review.
2. **Cooperation with review.** A retiree subject to review under subsection 1 must cooperate in providing information to MainePERS, including providing medical records and releases

permitting health care providers to provide medical records. An unjustified failure to cooperate will result in the discontinuance of benefits. If the failure continues for one year, it will result in permanent cessation of benefits.

3. **Standard on review.** The retiree's eligibility for retirement benefits continues if the retiree is unable to engage in any substantially gainful activity due to functional limitations caused by the mental or physical conditions that were the basis for the initial eligibility determination or by one or more new conditions that arose from the conditions that were the basis for the initial eligibility determination.
4. **Rebuttable presumption.** A retiree is presumed to be no longer eligible for retirement benefits if the retiree has earned more than the substantially gainful activity amount in one or more years while receiving disability retirement benefits. This presumption may be rebutted by information showing that the standard in subsection 3 is met notwithstanding these earnings.
5. **Use of the medical review service provider and independent medical examinations**
 - A. The Chief Executive Officer may determine that the retiree continues to be eligible without an IME and, if continuing eligibility is clear to a lay person, may determine that the retiree continues to be eligible without use of the medical review service provider.
 - B. The Chief Executive Officer may not determine that the retiree is no longer eligible for retirement benefits without an IME unless the IME is waived by the retiree.
 - C. IMEs under this Section are subject to the same reimbursement and waiver requirements as IMEs under Section 2.

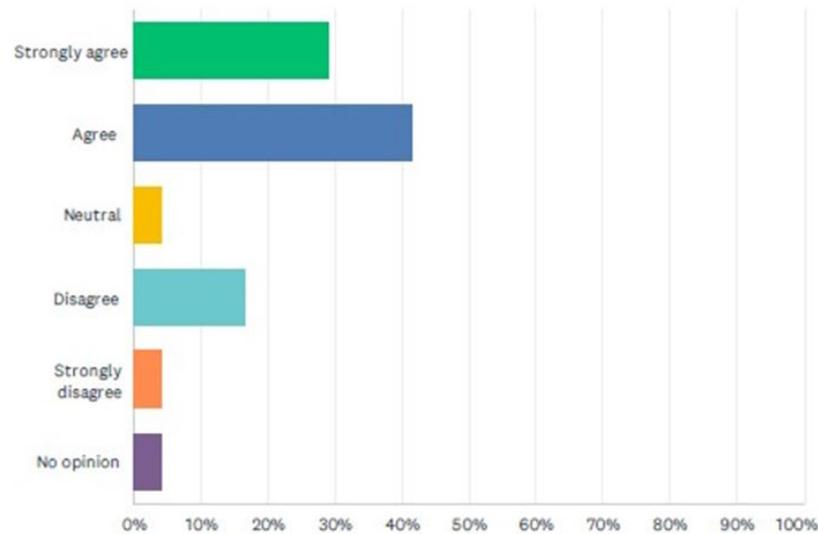
STATUTORY AUTHORITY:
5 M.R.S. §§ 17103(4)

EFFECTIVE DATE:
March 1, 2023 – filing 2023-030

Appendix 2

Q1 The disability application and process is easy to understand and follow.

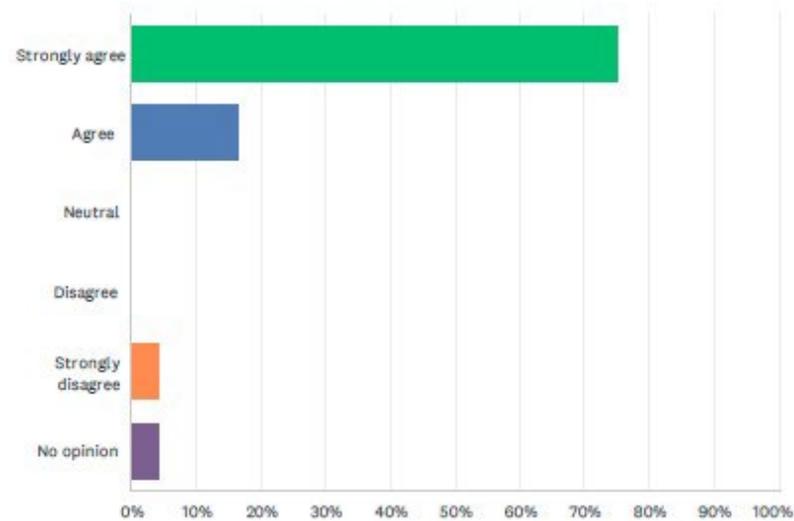
Answered: 24 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	29.17%	7
Agree	41.67%	10
Neutral	4.17%	1
Disagree	16.67%	4
Strongly disagree	4.17%	1
No opinion	4.17%	1
TOTAL		24

Q2 I was treated with respect by those handling my application.

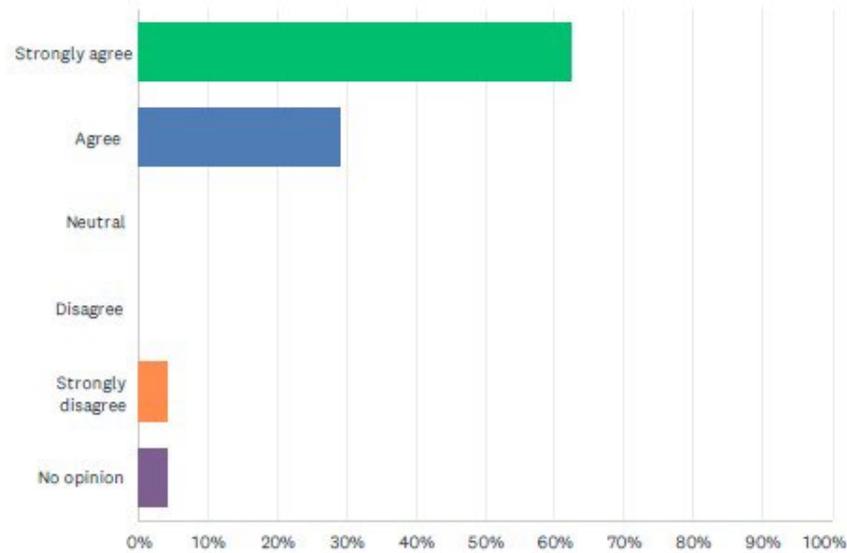
Answered: 24 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	75.00%	18
Agree	16.67%	4
Neutral	0.00%	0
Disagree	0.00%	0
Strongly disagree	4.17%	1
No opinion	4.17%	1
TOTAL		24

Q3 MainePERS responded to my questions in a timely manner.

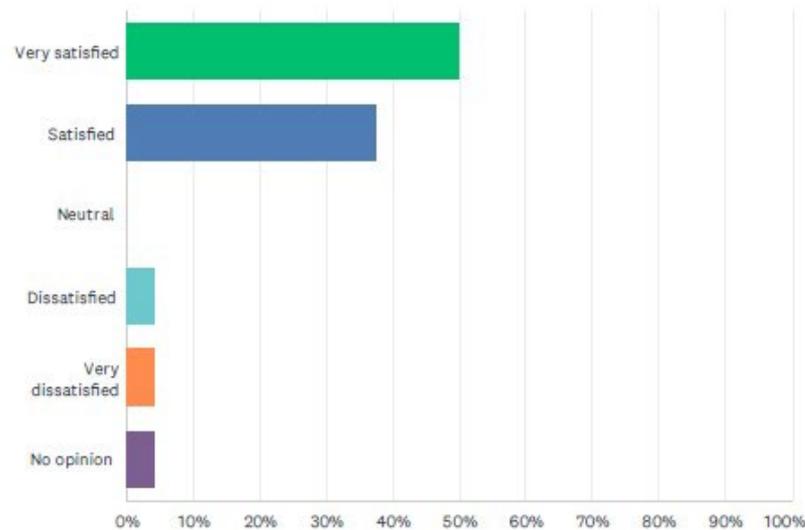
Answered: 24 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	62.50%	15
Agree	29.17%	7
Neutral	0.00%	0
Disagree	0.00%	0
Strongly disagree	4.17%	1
No opinion	4.17%	1
TOTAL		24

Q4 The Disability Services process was fairly conducted.

Answered: 24 Skipped: 0



ANSWER CHOICES	RESPONSES	
Very satisfied	50.00%	12
Satisfied	37.50%	9
Neutral	0.00%	0
Dissatisfied	4.17%	1
Very dissatisfied	4.17%	1
No opinion	4.17%	1
TOTAL		24

2023 Disability Services Satisfaction Survey
Comments

	End Date	Question 5: Please feel welcome to provide any additional feedback regarding your experience with MainePERS Disability Services Unit.
		Open-Ended Response
3	2023-10-02 19:24:25	[Employee] was very helpful getting through the process
5	2023-10-02 15:57:10	The professionalism coupled with kindness made the process comfortable. It is hard to present your narrative to a faceless stranger. The gentle way questions were asked made it less stressful. Thank you!
8	2023-09-22 08:22:30	I've sent my comments via email to [Employee]
9	2023-09-21 14:05:48	[Employee] and everyone I dealt with responded back to me every time promptly
10	2023-09-21 10:02:30	The IME process needs improvement. Had I not acted proactively, my case would have resulted in a denial. I'd be happy to speak to someone about it.
12	2023-09-19 15:55:57	MainePERS Disability Service was very pleasant and made the process comfortable. The State of Maine HR on the other hand made the process difficult. Thank you MainePers for all you efforts.
15	2023-09-19 13:34:16	It was a very long process, a lot of information, but my contact [Employee] helped me every step of the way made it very clear to me laid everything out and if I ever needed any help, she was always there very happy with the way I was taken care of
16	2023-09-19 08:13:29	Because of my disability, please keep me updated if information is needed on my stroke situation. Thanks
19	2023-09-18 11:22:45	Main parts representative were very, very helpful. But because of my disability, I have a hard time understanding the process I need it in more simple terms, but the representatives were great.
20	2023-09-18 11:16:49	[Employee] is the most patient and kind person I have ever spoken to she answered every single question I had is very knowledgeable about disability. I could not have gone through the process without her help. thank you.
21	2023-09-18 10:31:01	I took just about six months and I was given more info each time I spoke with someone . I feel if I called with a question I could get an answer quickly in return.
23	2023-09-18 10:03:14	[Employee] was very helpful and seemed like she really cared.
24	2023-09-18 10:03:10	Everyone I have dealt with in the unit I found to be friendly and professional. The process itself was tedious.

MAINEPERS

BOARD OF TRUSTEES MEMORANDUM

TO: BOARD MEMBERS

FROM: MICHAEL J. COLLERAN, CHIEF OPERATING OFFICER & GENERAL COUNSEL
CHIP GAVIN, CHIEF SERVICES OFFICER
SHERRY VANDRELL, CHIEF FINANCIAL OFFICER

SUBJECT: MEMBER SERVICES, FINANCE, AND OPERATIONS REPORT

DATE: MARCH 6, 2024

Content in the following paragraphs was selected to provide noteworthy information regarding the System's member services, finance, and operations.

POLICY REFERENCE

[Board Policy 4.5 – Board/Staff Relations](#)

[Board Policy 4.6 – Communications and Support to the Board](#)

MEMBER SERVICES

1. COLA: A special one-time COLA for eligible PLD members was implemented with the February 2024 monthly benefit payment following approval by Trustees and the adoption of formal rules by MainePERS. Information about this COLA was communicated to affected PLD retirees via mailed notices and emails prior to the February payroll and posted to the MainePERS web site and to the new MainePERS Member Portal.
2. DISABILITY SERVICES WEB PRESENCE RE-VAMPED: In collaboration with Communications, Member Services has significantly updated the web pages for the Disability Retirement program. The web site now better assists visitors by organizing the available material and services according to whether a visitor is seeking information about the program and potentially interested in applying to the program, with another entire section devoted to serving those who already are receiving a Disability Retirement benefit. This is the latest of a series of improvements undertaken by the Disability Services staff in keeping with Goal IV of the strategic plan: Cultivation of a Member Centric Organization.

Disability Retirement

In addition to its service retirement program, which provides a retirement benefit to members who meet certain vesting, age and length of service requirements, MainePERS also administers a Disability Retirement Program for members who become unable to work but are not yet ready to start their service retirement benefit.

The Disability Retirement benefit is based on three components. A member must demonstrate that:

1. One or more medically diagnosable conditions exist,
2. Functional limitations caused by the conditions make the member unable to perform the essential functions of the member's employment position with reasonable accommodation, and
3. The inability can be expected to be permanent.

As a form of retirement, it is a unique benefit that has different requirements than other similar but different government-run disability programs, such as Social Security Disability or Veterans Affairs programs. It is also different than private insurance that may be purchased to provide some income during a short-term or long-term illness that prevents someone from working.

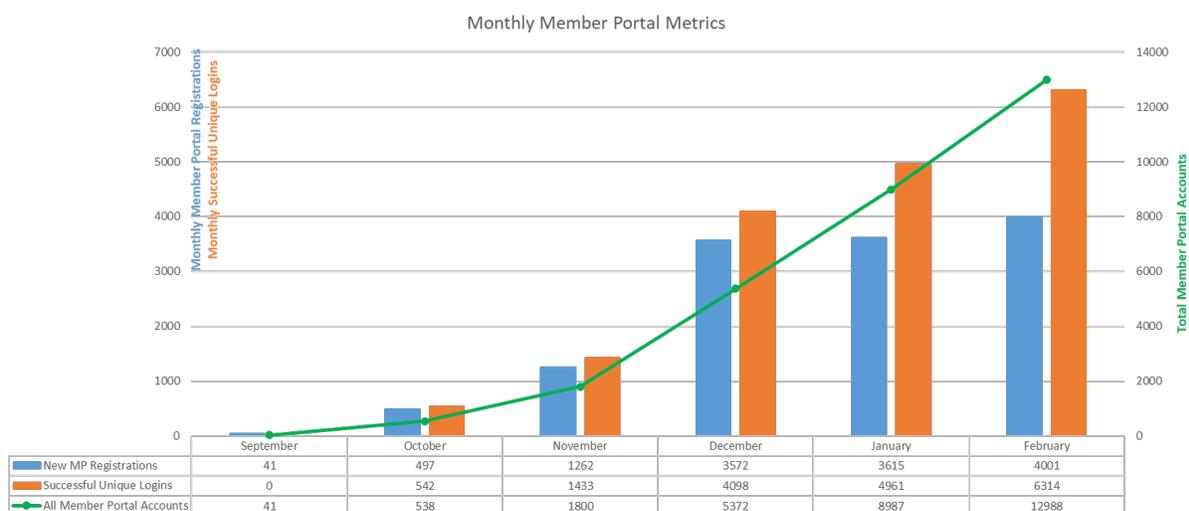
For those wanting to learn more, or find out how to apply.

[General and Disability Applicant Information](#)

For those currently receiving a disability retirement benefit.

[Disability Recipient Information](#)

- MEMBER PORTAL:** The Member Portal is now launched and in ongoing operation. In addition to the phased rollout campaign, MainePERS has now published portal access on its web site and is promoting the portal in routine new member mailings, retiree mailings and other routine communication. More than 1,000 people have used the portal to update their own demographic information with MainePERS (address, email, phone gender); hundreds of documents have been reviewed; and, more than 13,000 members or retirees have registered accounts. This is the final launch-related update about the portal planned for the Operations report. The portal is part of Goal IV, Strategic Objectives (E) and (B) and other related components of the Strategic Plan.



- MEMBER EDUCATION UPDATE:** MainePERS website has been updated to reflect the new education session for PLD special plan members, which remains scheduled to launch in March 2024. This webinar adds to the growing roster of member education opportunities available to individuals ranging from those who are new to MainePERS to those who are getting ready to retire. Meeting the unique needs of special plan members is the latest addition and will be offered approximately once per quarter. Member feedback is solicited after each session. Registration is available 24x7 online and the first several participants already have registered.

Introduction to PLD Plan

DAY	DATE	TIME	SUBJECT	STATUS	REGISTER
Wednesday	1/10/2024	Noon	INTRO TO PLD PLAN	ONLINE	REGISTER
Thursday	4/25/2024	1:00 pm	INTRO TO PLD PLAN	ONLINE	REGISTER
Friday	7/19/2024	2:00 pm	INTRO TO PLD PLAN	ONLINE	REGISTER
Thursday	10/3/2024	3:00 pm	INTRO TO PLD PLAN	ONLINE	REGISTER

Ready to Retire

DAY	DATE	TIME	SUBJECT	STATUS	REGISTER
Tuesday	2/27/2024	Noon	READY TO RETIRE	ONLINE	REGISTER
Tuesday	5/21/2024	1:00 pm	READY TO RETIRE	ONLINE	REGISTER
Tuesday	8/27/2024	2:00 pm	READY TO RETIRE	ONLINE	REGISTER
Tuesday	11/26/2024	3:00 pm	READY TO RETIRE	ONLINE	REGISTER

Special Plan

DAY	DATE	TIME	SUBJECT	STATUS	REGISTER
Thursday	3/21/2024	Noon	SPECIAL PLAN SESSION	ONLINE	REGISTER
Wednesday	6/5/2024	1:00 pm	SPECIAL PLAN SESSION	ONLINE	REGISTER
Thursday	9/5/2024	2:00 pm	SPECIAL PLAN SESSION	ONLINE	REGISTER
Wednesday	12/11/2024	3:00 pm	SPECIAL PLAN SESSION	ONLINE	REGISTER

- PENSION ADMINISTRATION SYSTEM (PAS) PROJECT:** Linea, the 3rd party advisor to MainePERS on this project, reports the overall PAS project status is green, indicating overall stability and progress toward completion. MainePERS agrees. Three of the four major monitoring areas remain coded green as of Linea’s March 4 report. This is stable since the last Trustee meeting. MainePERS is currently concluding the requirements documentation phase of the project and has started the drafting of the planned Request for Proposals (RFP). MainePERS routinely revisits the risks to the project as a standing project management practice and intends to renew focus in this area in the immediate future. The PAS project supports Goals III and IV and other elements of the Strategic Plan. Since the last Trustee meeting, no risks monitored by Linea have worsened in their severity ratings. Below is an excerpt of Linea’s most recent bi-weekly status report:

Overall		Scope	
Schedule		Resources	
Project Lead	Denise Myers	Project Sponsor	CEO Rebecca Wyke
Project Start	July 17, 2023	Project End	Aug 20, 2024
Reporting Period	Feb 20, 2024 to Mar 4, 2024	Reporting Date	Mar 4, 2024
Audience	Chip Gavin, Michael Colleran, Joy Childs, Valerie Scott, Lauren Fowler, Domna Giatas, Timothy Poulin, Sherry Vandrell	Next Core Team Meeting with Linea	Mar 6, 2024

FINANCE

- EMPLOYER REPORTING.** Employers submitted defined benefit payrolls on time at a 95% rate in February. This compares to a rate of 87% for the same period last year. The number of accounts now fully reconciled through December data is now 516, or 79%, up from 500 accounts at this time last month.

We reported last month that BerryDunn is actively engaged with the school district employer that we’ve been regularly reporting on. The engagement is ongoing and MainePERS staff have participated by fulfilling document and data requests to allow BerryDunn to do the work. We are currently examining the need for temporary help to assist with data entry of corrections as this work identifies the issues. The employer continues to struggle to get good payroll files out to their new payroll application in a way that it can be submitted to MainePERS. We are looking at options with them now for a cooperative agreement that includes some amount of clerical support from MainePERS staff, at the employer’s expense.

- EMPLOYER AUDITING.** Two audits were opened during the month of February and one audit was closed. The percentage of resolved findings to date is 96%.

3. ACCOUNTING AND FINANCE. CliftonLarsonAllen (CLA) completed the review of facilities management and controls work in January. The report for this work will be presented to the Finance and Audit Committee at their next meeting. Work has commenced on the next review covering member estimates and statements of account and we will keep you updated on progress there as it happens.

OPERATIONS

1. INFORMATION TECHNOLOGY: IT staff continue to be heavily involved in the PAS replacement project. The Data Cleansing Project Team is making steady progress in identifying and remediating V3 data points. We are releasing a request for proposals on March 11 for cybersecurity services, including training; conducting assessments, tests, exercises, and reviews; and providing consulting and monitoring services. The IT team conducted a lunch-and-learn session on Microsoft Outlook features that was attended by more than 40 employees.
2. FACILITIES: We are issuing a request for proposals for a generator for our Augusta facility this month. We have contracted with CN Brown for electricity supply for both offices.
3. DOCUMENT CENTER: The team processed 15,993 checks and advices of deposit, imaged 8,928 documents, and handled 6,780 pieces of outbound mail generated through V3 in February.
4. HUMAN RESOURCES: We had one new employee start in February and one project employee leave at the end of the project term. We are recruiting for three openings. Interest is strong – we received 42 applications in February. We have formed two cross-organizational groups to work on improvements to our employee onboarding and to our performance management system. We held lunch events last week in recognition of National Employee Appreciation Day.

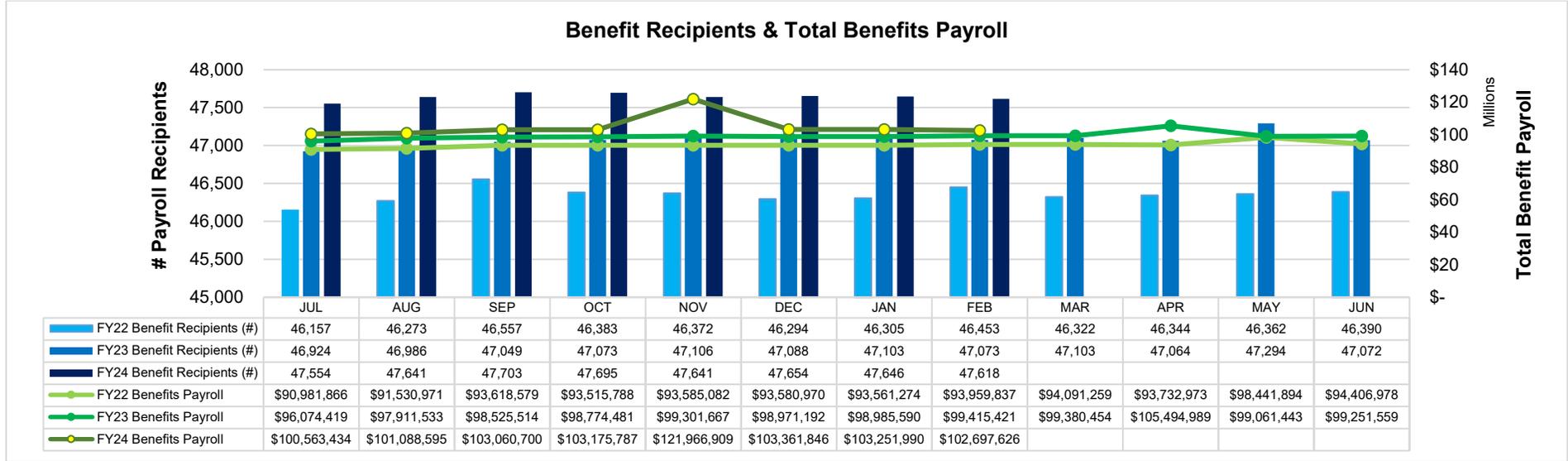
RECOMMENDATION

No Board action is recommended at this time.

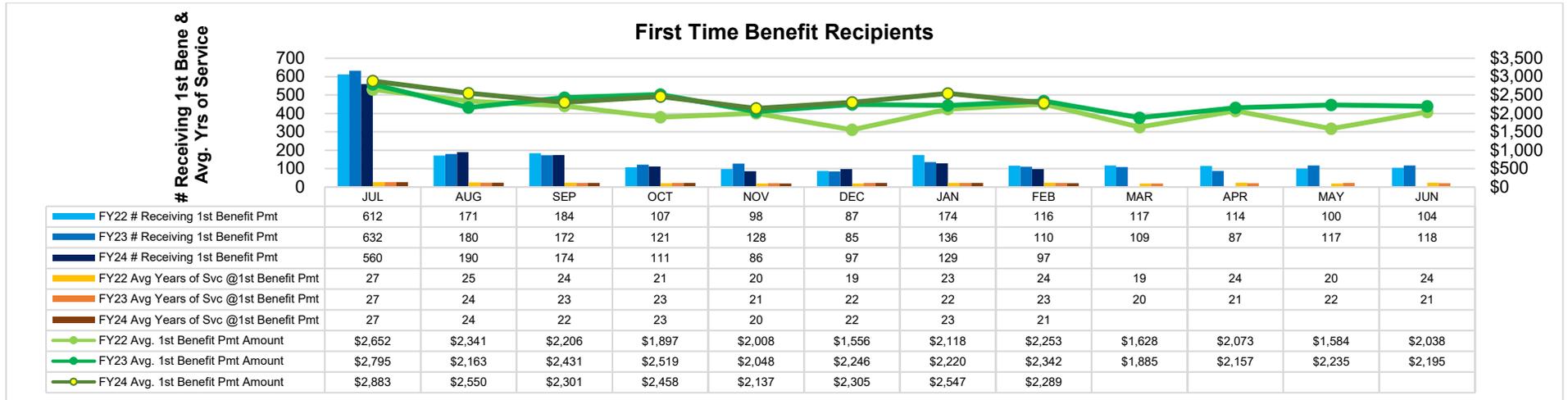
FEBRUARY 2024 BOARD OF TRUSTEES OPERATIONS – MEMBER SERVICES SUPPLEMENTAL NUMBERS

RETIREMENT SERVICES

BENEFITS PAYROLL: Regular monthly pension benefit payments were made to 47,618 recipients in February, totaling \$102,697,626. Note: Special payments paid outside of the regular payroll run are not reflected in the “Benefits Payroll” total.

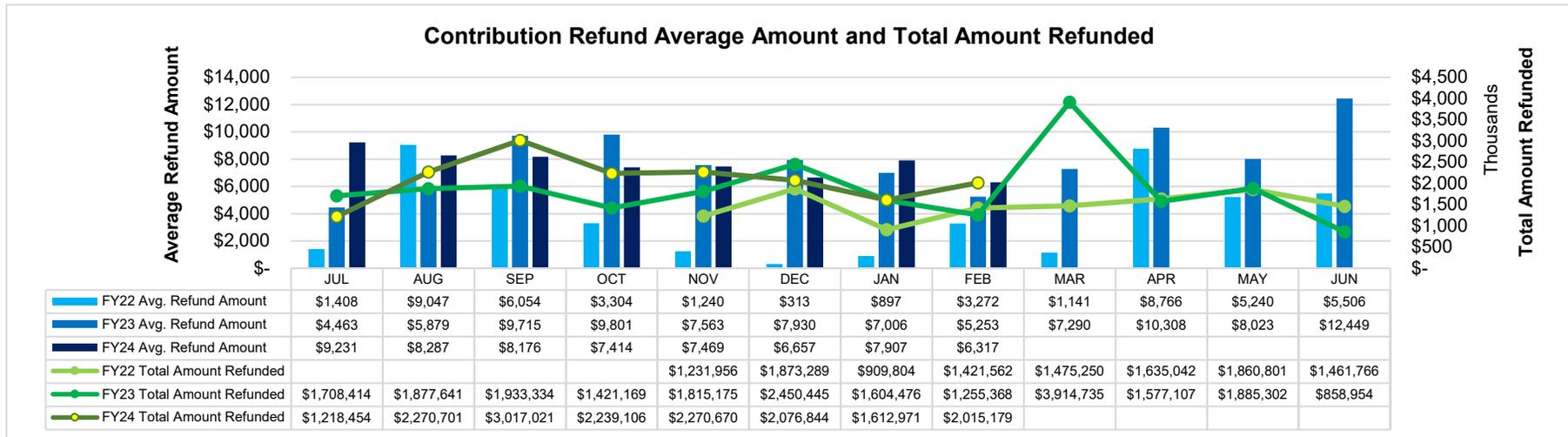
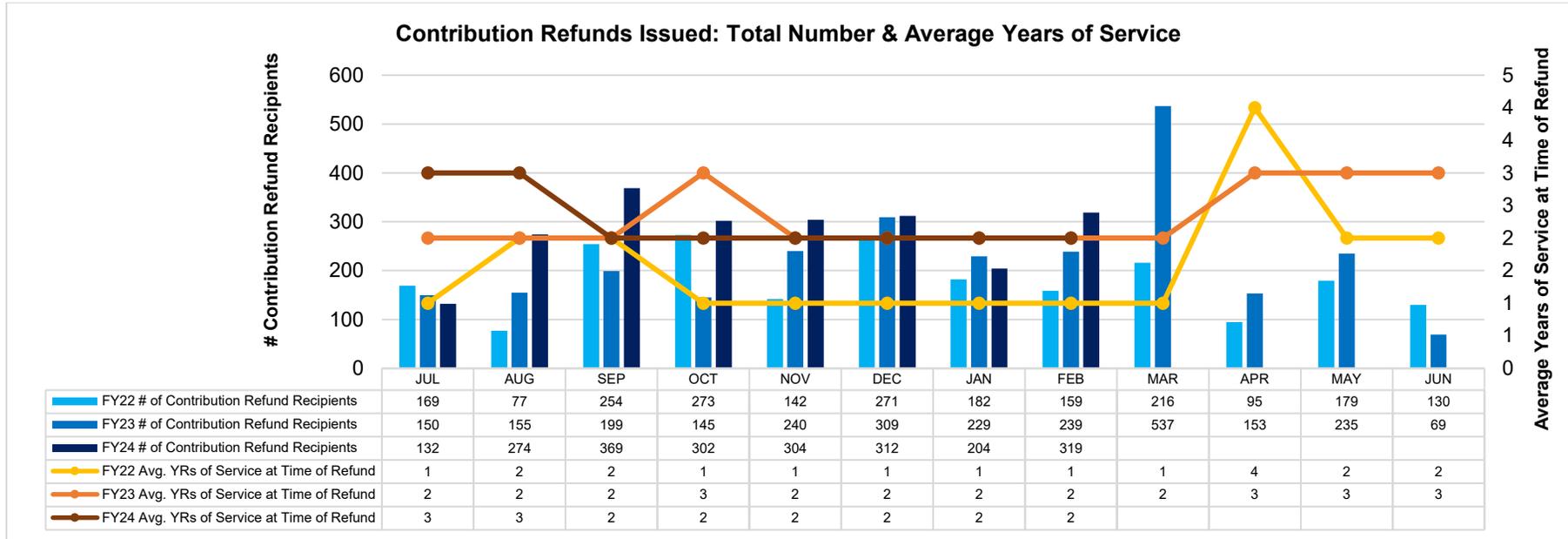


FIRST TIME BENEFIT RECIPIENTS: Ninety-seven (97) individuals received their first benefit payment in February. The average benefit amount was \$2,289. First time recipients averaged twenty-one (21) years of service. The count of new recipients, payment amount, and service are comparable to data seen during the same month in recent prior years.



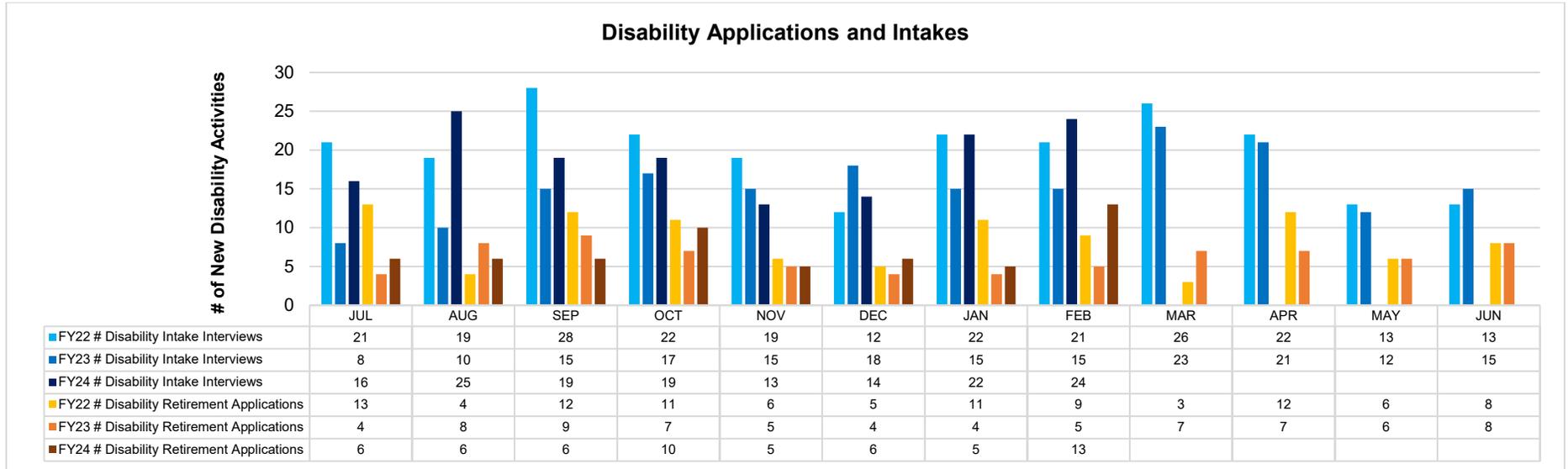
RETIREMENT SERVICES: continued

CONTRIBUTION REFUNDS: Three hundred nineteen (319) former members received a refund of their contributions in February. The average refund was \$6,317 as the result of an average two (2) years of service. The aggregate amount refunded was \$2,015,179.



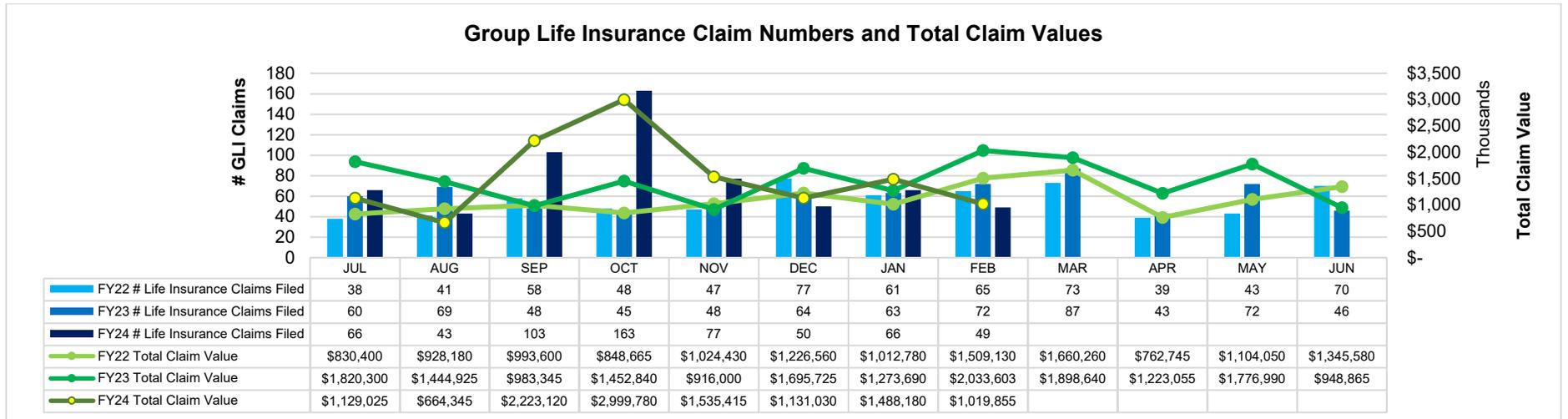
DISABILITY SERVICES

Twenty-four (24) intake interviews were completed in February with varying levels of detail and duration. Intakes included nine (9) State members, ten (10) Teacher members, four (4) PLD members and one (1) other. Thirteen (13) new disability retirement applications were received in February.



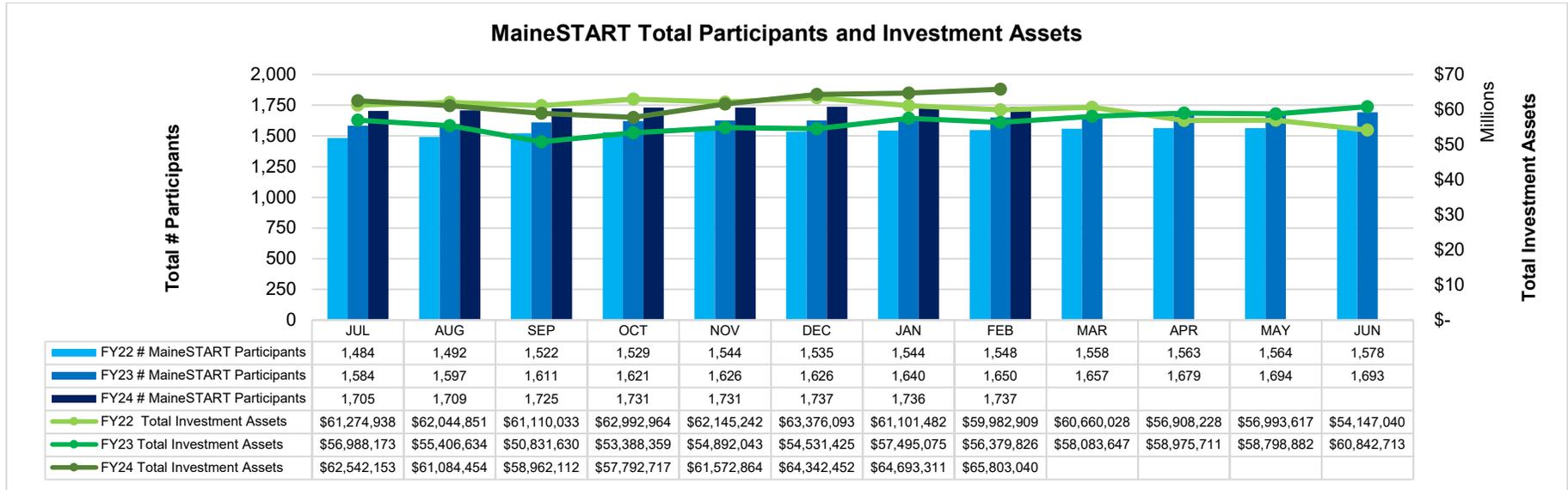
SURVIVOR SERVICES

Forty-nine (49) life insurance claims were sent to our carrier (The Hartford) in February with a total value of \$1,019,855 in payments due to beneficiaries. Of the claims, forty-four (44) were retirees claims, two (2) were active members claims and three (3) were dependent claims.



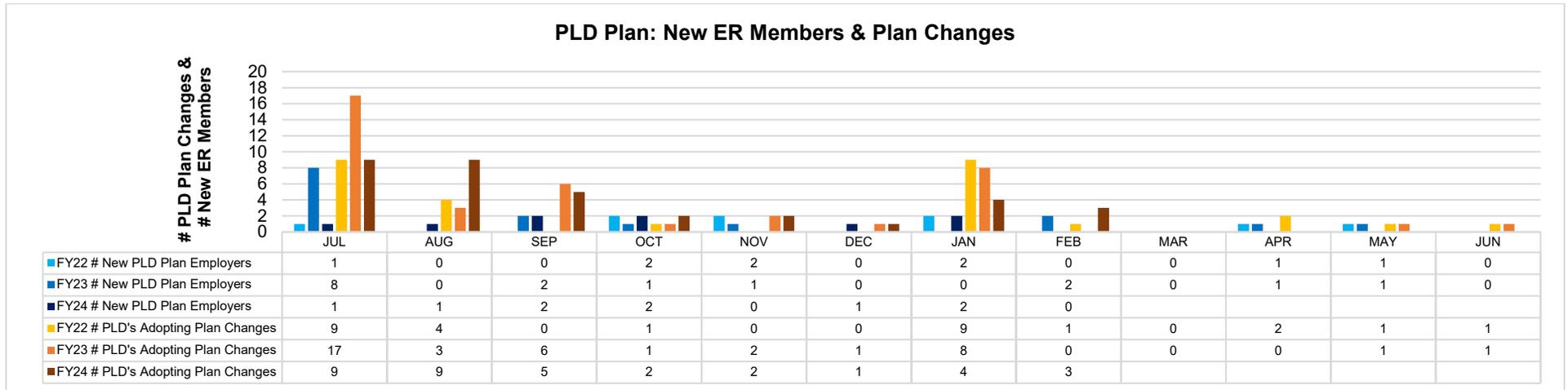
DEFINED CONTRIBUTION PLAN SERVICES

MaineSTART had one thousand seven hundred thirty-seven (1,737) participants at the end of February with \$65,803,040 of investment assets in the program.



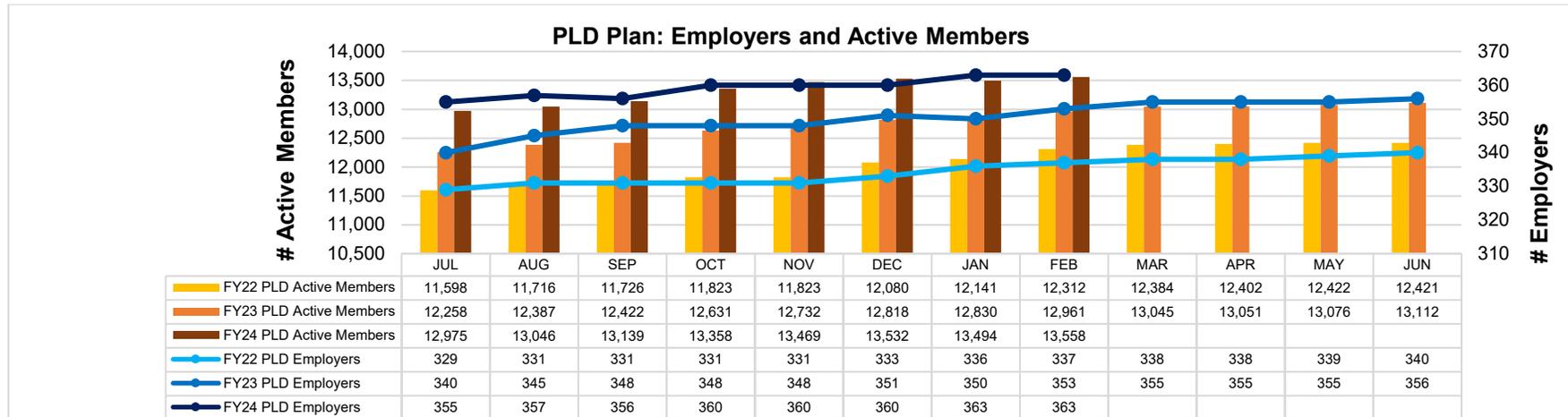
PLD PLAN ADMINISTRATION

No new employers joined the PLD Retirement Program effective February 1, 2024. There was three (3) employer plan changes effective February 1, 2024. Note: This metric reflects PLD employer changes (joining, returning, adopting plan changes) in the month of their implementation. This format is consistent with MainePERS activity reporting to our actuary.



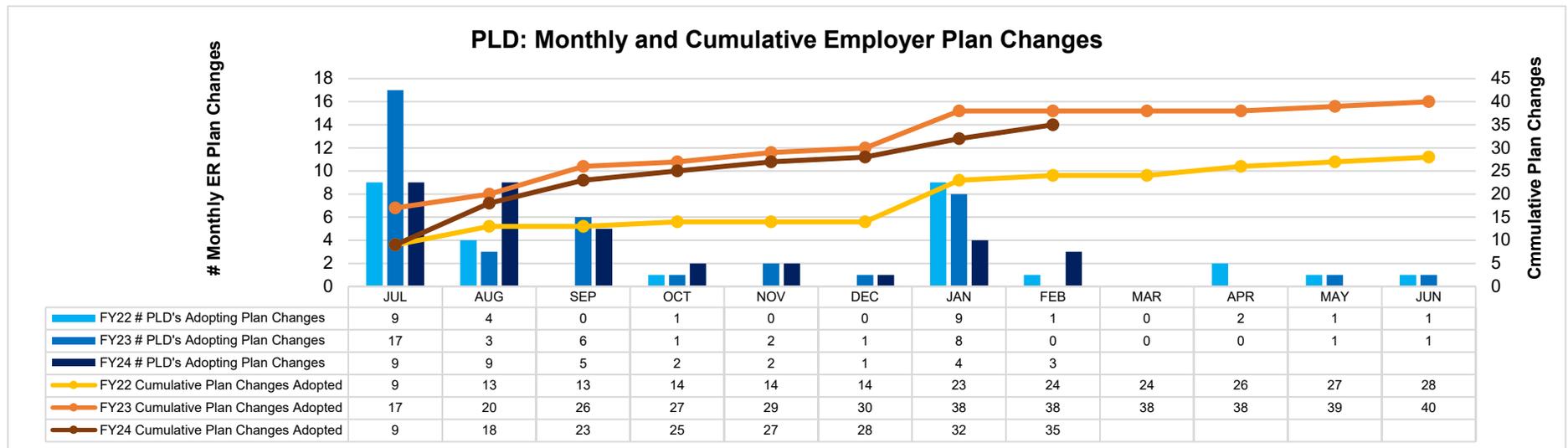
PLD PLAN ADMINISTRATION – Continued
PLD Plan - Cumulative Employer and Member Numbers

PLD employers increased from 360 for October to December to 363 in January and February; PLD Employee numbers increased to 13,558 through the end of February 2024. This data will be reported quarterly; the next update will be included in the June 2024 report.



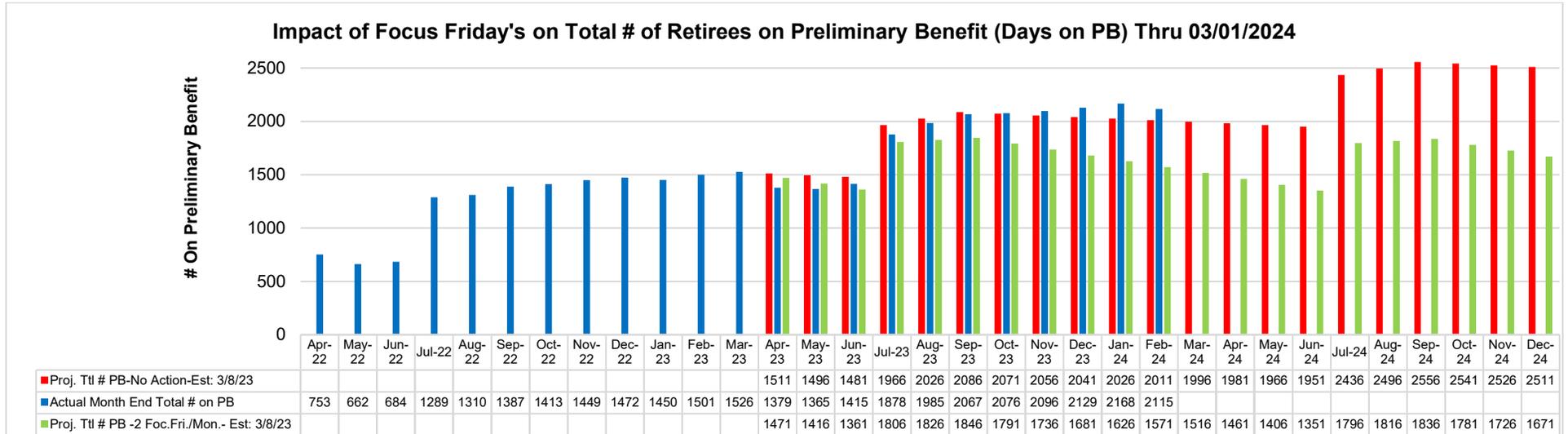
PLD PLAN - MONTHLY AND CUMULATIVE EMPLOYER PLAN CHANGES

Two (2) new employers joined the PLD Retirement Program effective February 1, 2024. There was four (4) employer plan changes effective February 1, 2024, bringing total plan change this FY to 32. *Note:* This metric reflects PLD employer changes (joining, returning, adopting plan changes) in the month of their implementation. This format is consistent with MainePERS activity reporting to our actuary.



FOCUS FRIDAY IMPACT ON BACKLOG REDUCTION

PRELIMINARY TO FINAL BENEFIT (PB TO FINAL) BACKLOG THROUGH MARCH 1, 2024: The backlog projections and reporting below are based on a data point that counts days since an initial Preliminary Benefit disbursement date (Days on PB) occurred.



SERVICE RETIREMENT ESTIMATE BACKLOG THROUGH MARCH 1, 2024: The backlog projections and reporting below are based on data that count the total number of open Service Retirement Estimate workflows.

